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## LEGISLATIVE HISTORY

Public Law 85-118  
H. R. 7441

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## Index and summary of H. R. 7441

|      |          |   |
|------|----------|---|
| May  | 10, 1957 | House Appropriations Committee reported H. R. 7441 without amendment. House Report No. 438. Print of bill and report. |
| May  | 14, 1957 | House began debate on H. R. 7441.   |
| May  | 15, 1957 | House passed H. R. 7441 with amendments.  |
| May  | 16, 1957 | H. R. 7441 was referred to Senate Appropriations Committee. Print of bill as referred.                                |
| June | 5, 1957  | Senate subcommittee ordered H. R. 7441 reported to the full committee.  |
| June | 7, 1957  | Senate committee reported H. R. 7441 with amendments. Senate Report 415. Print of bill and report.                    |
| June | 11, 1957 | Senate passed H. R. 7441 with amendments. Senate conferees appointed. Print of bill as passed by Senate.              |
| June | 17, 1957 | House conferees appointed on H. R. 7441.  |
| July | 5, 1957  | House received conference report on H. R. 7441. House Report No. 682. Print of report.                                |
| July | 9, 1957  | House agreed to conference report.  |
| Aug. | 1, 1957  | Senate agreed to conference report.   |
| Aug. | 2, 1957  | Approved: Public Law 85-118   |

Hearings: House and Senate Appropriations Committee.

# THE JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION

|  |      |    |    |
|--|------|----|----|
| 1. The Journal of the American Medical Association is published weekly, except on Sundays and public holidays, at \$5.00 per annum in advance. | 1914 | 12 | 31 |
| 2. The subscription price for single copies is 15 cents.   | 1914 | 12 | 31 |
| 3. The subscription price for foreign countries is \$6.00 per annum in advance.  | 1914 | 12 | 31 |
| 4. The subscription price for libraries and institutions is \$10.00 per annum in advance.  | 1914 | 12 | 31 |
| 5. The subscription price for the foreign edition is \$7.00 per annum in advance.  | 1914 | 12 | 31 |
| 6. The subscription price for the foreign edition is \$7.00 per annum in advance.  | 1914 | 12 | 31 |
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Published by the American Medical Association, 535 North Dearborn Street, Chicago, Ill.

**FOREST SERVICE:** This Act provides annual appropriations of \$119,926,000 (net increase of \$10,405,250 compared with fiscal year 1957, including \$2,499,800 for mandatory retirement fund contributions pursuant to Public Law 854, approved July 31, 1956). Permanent appropriations are also available in the estimated amount of \$42,875,100. (At the end of this Digest is a table which includes appropriations made for fiscal year 1958 and for 1956 and 1957). Items of major significance contained in the Act for the Forest Service, including changes over 1957, are as follows: Forest protection and utilization - \$93,830,000 appropriated (net increase of \$9,569,250 consisting of increases of \$5,161,850 for forest land management, \$1,230,000 for forest research, and \$1,013,600 for State and private forestry cooperation, in addition to increases for retirement costs).

The Act provides that of the \$68,750,000 appropriated for forest land management, \$5,000,000 shall constitute a contingency fund for use only to the extent necessary to meet emergency forest fire situations and \$1,760,000 shall be used only to the extent necessary for control activities under the Forest Pest Control Act. Increases include \$5,018,100 for recreation and public use for the initiation of a 5-year development program of recreational areas, and \$2,279,900 for structural improvements, primarily for construction of employee housing.

Forest roads and trails - \$24,336,000 appropriated. Assistance to States for tree planting - \$500,000 appropriated; Acquisition of lands for national forests - \$560,000 appropriated; Cooperative range improvements - \$700,000 appropriated.

The Act also includes appropriations for research in utilization of saline water, Bureau of Land Management, Bureau of Indian Affairs, Fish and Wildlife Service, National Park Service, and Virgin Islands Corporation.

Public Law 85-78 (H. J. Res. 391) TEMPORARY APPROPRIATIONS, 1958 (approved July 1, 1957). Makes temporary appropriations for the fiscal year 1958 of such amounts as may be necessary for continuing certain activities, including the Department of Agriculture and the mutual security program, until July 31, 1957, or pending enactment of the regular appropriation acts, whichever occurs first.

Public Law 85-79 (S. 2243) ATOMIC POWER PROGRAM REVIEW (approved July 3, 1957). Amends the Atomic Energy Act of 1954, as amended, so as to provide that an authorization for appropriations must be obtained by the Atomic Energy Commission for funds necessary to carry out certain cooperative programs for the development and construction of reactors.

Public Law 85-92 (H. R. 7259) TOBACCO PRICE SUPPORTS (approved July 10, 1957). Provides that beginning with the 1958 crop Virginia fire-cured tobacco, type 21, shall be treated as a "kind" of tobacco for marketing quota purposes (except in a referendum of growers), and beginning with the 1958 crop, the levels of price support for fire-cured, dark air-cured and Virginia sun-cured tobacco shall not exceed the higher of the levels applicable to the 1957 crop, or 90 percent of parity (the price support levels for these kinds of tobacco have been fixed at percentages of the Burley loan rate).

Public Law 85-96 (H. J. Res. 172) SALE OF EXTRA LONG STAPLE COTTON (approved July 10, 1957). Provides that fifty thousand bales of domestically grown extra long staple cotton in the stockpile (including any cotton which does not meet current stockpile specifications, established pursuant to the Strategic and Critical Materials Stockpiling Act, as amended), shall be withdrawn and transferred to the



Commodity Credit Corporation for sale at not less than the prices at which CCC may sell its stocks under the minimum pricing provision of Sec. 407 of the Agricultural Act of 1949, as amended. Proceeds from such sale, less costs incurred by CCC, including administrative expense, as determined by the Secretary of Agriculture, shall be covered into the Treasury of the U. S. as miscellaneous receipts.

Public Law 85-98 (S. 45) SALE OF LAND TO CENTRAL, NEW MEXICO (approved July 11, 1957). Authorizes and directs the Secretary of Agriculture to sell at market value to the village of Central, New Mexico, approximately 58 acres of land owned by the U. S. and administered by this Department in connection with the Gila National Forest.

Public Law 85-99 (S. 937) FREIGHT RATE CHARGES (approved July 11, 1957). Provides for the publication of freight rates by rail and water carriers operating over circuitous routes to meet the charges of carriers of the same type operating over more direct routes without further authorization from the Interstate Commerce Commission. Provides that such rates established over circuitous routes shall not be used as evidence on the issue of the compensatory character of rates involved in other proceedings.

Public Law 85-104 (H. R. 6659) HOUSING ACT OF 1957 (approved July 12, 1957). Extends and amends laws relating to housing and mortgage credit. Authorizes and directs the Housing and Home Finance Administrator to make \$300,000 available, during each of the fiscal years 1958 and 1959, for research and study of farm housing in the U. S. by land-grant colleges financed by grants from the Administrator.

Public Law 85-105 (S. 609) PEANUT STATISTICS REPORTS (approved July 17, 1957). Amends the Act of June 24, 1936, as amended (relating to the collection and publication of peanut statistics), to delete the requirement for reports from persons owning or operating peanut picking and threshing machines.

Public Law 85-111 (H. R. 632) CROP INSURANCE IN PUERTO RICO (approved July 23, 1957). Amends the Federal Crop Insurance Act so as to provide standby authority for the Federal Crop Insurance Corporation to provide reinsurance on any crop or plantation insurance provided in Puerto Rico by a duly authorized agency of Puerto Rico, in the event private companies now furnishing the reinsurance should terminate their reinsurance contracts.

Public Law 85-112 (S. 977) EAST BENCH RECLAMATION PROJECT (approved July 24, 1957). Modifies the application of the excess-land provisions of the Federal reclamation laws so as to permit the establishment of irrigated farms of more than 160 acres on the East Bench unit of the Missouri River Basin project that will be of a size sufficient to provide suitable family livelihood and to meet the cost of water service.

Public Law 85-117 (H. R. 7665) DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1958 (approved August 2, 1957). Includes a buy-American provision regarding food, clothing, etc.

Public Law 85-118 (H. R. 7441) DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION ACT, 1958 (approved August 2, 1957). Provides annual appropriations for regular activities for the Department of Agriculture for fiscal year 1958 in the amount of \$1,583,678,848 plus \$843,076,238 under Title III - Special Activities. The Act also authorizes borrowings from the Secretary

of the Treasury in the amount of \$448,500,000, and under Title II of the Act, provides for a CCC corporate administrative expense limitation of \$35,398,000 (which, as in 1956 and 1957, includes \$1,000,000 to be used only for expanding and strengthening the Corporation's sales program), and the restoration of the capital impairment of Commodity Credit Corporation in the amount of \$1,239,788,671. Permanent appropriations are available in the estimated amount of \$251,212,837. Title IV of the Act provides limitations on administrative expenses totaling not to exceed \$5,575,000 for the Farm Credit Administration. (At the end of this digest is a table reflecting appropriations for fiscal year 1958, including all supplemental appropriations to date, and for 1956 and 1957.)

Increases over 1957 were provided to meet mandatory retirement fund contributions pursuant to Public Law 854, 84th Congress, approved July 31, 1956.

Items of major significance contained in the Act for the Department of Agriculture, including amounts of increase or decrease as compared with fiscal year 1957, other than increases for retirement fund contributions, are as follows:

AGRICULTURAL RESEARCH SERVICE: \$131,306,598 appropriated (net decrease of \$13,877,110 due primarily to elimination of non-recurring appropriation of \$16,250,000 in 1957 for animal disease laboratory facilities). Changes include:

Salaries and Expenses - Increases of \$2,165,000 for soil and water conservation research (including construction of facilities); \$1,000,000 for utilization research; \$400,000 to strengthen plant quarantine inspection service; and \$240,000 for meat inspection. Payments to States - increase of \$850,000 to strengthen and expand research programs of the State Agricultural Experiment Stations.

EXTENSION SERVICE (principally payments to States): \$60,235,540 appropriated (increase of \$6,206,540, primarily for retirement costs for extension agents, and \$250,000 for rural development work in States which heretofore have had no rural development program).

AGRICULTURAL MARKETING SERVICE: Marketing research and agricultural estimates - \$14,116,700 appropriated (increase of \$75,000 in addition to retirement costs); Marketing services - \$14,274,900 appropriated; Payments to States - \$1,160,000 appropriated; School Lunch Program - \$100,000,000 appropriated.

FOREIGN AGRICULTURAL SERVICE: \$4,002,300 appropriated (increase of \$100,000 to provide for home leave costs of agricultural attaches).

COMMODITY STABILIZATION SERVICE: Acreage allotments and marketing quotas - \$40,715,000 appropriated; Sugar Act Program - \$67,662,500 appropriated.

FEDERAL CROP INSURANCE CORPORATION: \$6,376,700 appropriated. Act continues to provide that not to exceed \$2,000,000 of administrative and operating expenses may be paid from premium income.

RURAL ELECTRIFICATION ADMINISTRATION: Loan Authorizations - \$239,000,000 consisting of \$179,000,000 for electrification loans (decrease of \$235,000,000), and \$60,000,000 for telephone loans (decrease of \$40,000,000); Salaries and expenses - \$9,030,950 appropriated.



FARMERS' HOME ADMINISTRATION: Loan Authorizations - \$209,500,000 consisting of \$24,000,000 for farm ownership loans (a decrease of \$26,000,000); \$180,000,000 for production and subsistence loans (same as last year); \$5,500,000 for soil and water conservation loans (same as last year); Salaries and expenses - \$29,089,500 appropriated.

SOIL CONSERVATION SERVICE: Conservation operations - \$72,545,000 appropriated (increase of \$1,693,250 to furnish technical assistance to new soil conservation districts and to low-income farmers, and to accelerate soil surveys and prepare soil surveys); Watershed protection - \$25,500,000 appropriated (increase of \$7,596,000) in addition to retirement costs; Flood prevention - \$13,220,000 appropriated (increase of \$1,011,000) to accelerate the installation of works of improvement; Water conservation and utilization projects - \$350,000 appropriated (increase of \$110,300 to provide for maintenance of land development on the Eden Valley Project in Wyoming).

GREAT PLAINS CONSERVATION PROGRAM: \$10,000,000 appropriated, to remain available until expended. This is a new appropriation to provide funds for carrying into effect a Great Plains Conservation Program authorized by Public Law 1021, 84th Congress, approved August 7, 1956.

AGRICULTURAL CONSERVATION PROGRAM SERVICE: \$212,000,000 appropriated which, together with balances available under the 1955 program, will provide the full \$250,000,000 authorized for the 1957 program. Of the amount appropriated, not to exceed \$24,698,000 (same as 1957) is for administrative expenses. The Act also provides for a program authorization of \$250,000,000 for the 1958 crop year, of which \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices, and \$1,000,000 for conservation practices related directly to flood prevention work in approved watersheds.

SOIL BANK PROGRAMS: Conservation Reserve Program - \$162,940,000 appropriated, of which not to exceed \$18,000,000 shall be available for administrative expenses. Act also limits payments to producers to \$325,000,000 in any calendar year; Soil Bank Act provides \$450,000,000; Acreage Reserve Program - \$600,000,000 appropriated, of which not to exceed \$34,500,000 shall be available for administrative expenses. Act also limits payments to producers to \$500,000,000 with respect to 1958 crops and further limits payment to any one producer to \$3,000 with respect to 1958 crops.

SPECIAL ACTIVITIES: The Act provides the following appropriations for repayment to Commodity Credit Corporation for authorized programs in 1956: Advances for eradication of foot-and-mouth and other contagious diseases of animals and poultry - \$1,853,450 appropriated; Advances for eradication of brucellosis in cattle - \$16,728,210 appropriated; Advances for costs incurred for inspecting and grading tobacco and classing cotton - \$80,449; International Wheat Agreement - \$92,930,611 appropriated; Emergency famine relief to friendly peoples - \$94,483,518 appropriated; Sales of surplus agricultural commodities for foreign currencies - \$637,000,000 appropriated.

Public Law 85-120 (S. 2504) SMALL BUSINESS ACT EXTENSION (approved August 3, 1957). Amends the Small Business Act of 1953 so as to extend the Small Business Administration for one year until July 31, 1958, and to increase the authorization for its business loan revolving fund by \$75 million.

H. Res. 56, creating a select committee to conduct a study and investigation of the problems of SMALL BUSINESS (agreed to Jan. 31, 1957).

H. Res. 86, authorizing the Banking and Currency Committee to conduct studies and investigations relating to HOUSING (agreed to Feb. 5, 1957).

H. Res. 89, fixing the size of STANDING COMMITTEES during the 85th Congress (agreed to Jan. 10, 1957).

H. Res. 128, authorizing the House Administration Committee to continue during the 85th Congress the study and investigation of unnecessary Government PRINTING and PAPERWORK (agreed to Feb. 7, 1957).

H. Res. 139, authorizing the POST OFFICE AND CIVIL SERVICE COMMITTEE to conduct investigations into matters within its jurisdiction (agreed to Feb. 7, 1957).

H. Res. 140, providing funds for POST OFFICE AND CIVIL SERVICE COMMITTEE investigations pursuant to H. Res. 139 above (agreed to Feb. 7, 1957).

H. Res. 146, providing funds for investigations of the SMALL BUSINESS COMMITTEE (agreed to Feb. 7, 1957).

H. Res. 157, authorizes the AGRICULTURE COMMITTEE to conduct investigations into matters within its jurisdiction (agreed to March 5, 1957).

H. Res. 163, providing \$50,000 for investigations by the AGRICULTURE COMMITTEE, pursuant to H. Res. 157 above (agreed to March 18, 1957).

H. Res. 275, amends H. Res. 157 above so as to authorize investigations by the AGRICULTURE COMMITTEE outside (in addition to within) the U. S. (agreed to Aug. 29, 1957).

H. Res. 406, authorizes investigations by the House Administration Committee of the HATCH ACT and other restrictions on political participation by Federal employees (agreed to Aug. 22, 1957).



UNITED STATES DEPARTMENT OF AGRICULTURE

Appropriations, Fiscal Years 1956, 1957, and 1958

[Note.--Amounts include all supplemental appropriations to date and fiscal years 1956 and 1957 are adjusted for comparability with the appropriation structure in 1958.]

| Agency or Item   | Appropriations   |                |                |
|--|------------------|----------------|----------------|
|  | 1956             | 1957           | 1958           |
| ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES:                  |                  |                |                |
| AGRICULTURAL RESEARCH SERVICE:                                 |                  |                |                |
| Salaries and expenses:   |                  |                |                |
| Research .....   | a/ \$41,914,169: | \$53,786,000:  | \$57,794,890:  |
| Plant and animal disease and pest control b/ .....             | c/ 20,652,954:   | d/ 29,744,000: | e/ 30,082,000: |
| Meat inspection .....  | 15,369,019:      | 15,650,000:    | 16,826,000:    |
| Total, Salaries and expenses .....                             | 77,936,142:      | 99,180,000:    | 104,702,890:   |
| State Experiment Stations:                                     |                  |                |                |
| Payments to States, Hawaii, Alaska, and Puerto Rico .....      | 24,753,708:      | 29,503,708:    | 30,353,708:    |
| Penalty mail .....   | - -              | f/ 250,000:    | 250,000:       |
| Total, State Experiment Stations .                             | 24,753,708:      | 29,753,708:    | 30,603,708:    |
| Diseases of animals and poultry - eradication activities ..... | g/ - -           | g/ - -         | g/ - -         |
| Animal disease laboratory facilities                           | h/ 250,000:      | i/ 16,250,000: | - -            |
| Total, Agricultural Research Service:                          | 102,939,850:     | 145,183,708:   | 135,306,598:   |

- a/ Includes \$150,000 appropriated in Department of Interior and Related Agencies Appropriation Act, 1956.
- b/ Includes contingency funds for use to the extent necessary to meet emergency outbreaks of insects and plant diseases, as follows: 1956, \$1,650,000; 1957, \$6,900,000 of which \$1,250,000 was made immediately available for use in 1956; 1958 \$1,000,000.
- c/ Includes \$972,220 appropriated in the Second Supplemental Appropriation Act, 1956
- d/ Includes \$2,500,000 appropriated in the Supplemental Appropriation Act, 1957; and \$950,000 provided in the Second Urgent Deficiency Appropriation Act, 1957, to be derived by transfer from other appropriations of the Department.
- e/ Includes \$4,000,000 appropriated in the Supplemental Appropriation Act, 1958.
- f/ Included in the Third Supplemental Appropriation Act, 1957, to be derived by transfer from "Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service".
- g/ Acts contain language authorizing the Secretary to transfer from any funds available to the Department amounts necessary to finance the eradication of foot-and-mouth and other contagious diseases, to be available only in an emergency which threatens the livestock or poultry industry of the country, and limit funds for eradication of vesicular exanthema of swine to: 1956, \$2,250,000; 1957, \$1,550,000; and 1958, \$1,270,000.
- h/ Appropriated in the Supplemental Appropriation Act, 1956.
- i/ Appropriated in the Supplemental Appropriation Act, 1957.



| Agency or Item   | Appropriations   |               |             |
|--|------------------|---------------|-------------|
|  | 1956             | 1957          | 1958        |
| ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES - Continued:              |                  |               |             |
| EXTENSION SERVICE:   |                  |               |             |
| Cooperative Extension work, Payments and expenses:                     |                  |               |             |
| Payments to States, Hawaii, Alaska, and Puerto Rico .....              | 45,475,000:      | 49,865,000:   | 50,715,000  |
| Retirement costs for extension agents .....                            | - -              | - -           | 5,260,000   |
| Penalty mail .....   | 1,650,000:a/     | 2,164,000:    | 2,164,000   |
| Federal Extension Service .....  | 1,980,000:       | 2,000,000:    | 2,096,540   |
| Total, Extension Service .....   | 49,105,000:      | 54,029,000:   | 60,235,540  |
| FARMER COOPERATIVE SERVICE .....                                       | 427,000:         | 550,000:      | 578,000     |
| FOREST SERVICE:  |                  |               |             |
| Forest protection and utilization:                                     |                  |               |             |
| Forest land management b/ .....  | c/ 54,789,271:d/ | 61,915,750:   | 68,750,000  |
| Forest research .....  | 8,392,317:       | 10,155,000:   | 11,835,000  |
| State and private forestry cooperation .....                           | 11,382,129:      | 12,190,000:   | 13,245,000  |
| Total, Forest protection and utilization .....                         | 74,563,717:      | 84,260,750:   | 93,830,000  |
| Forest roads and trails .....  | e/ 23,997,852:e/ | 24,000,000:e/ | 24,336,000  |
| Assistance to States for tree planting .....                           | - -              | - -           | 500,000     |
| Acquisition of lands for national forests:                             |                  |               |             |
| Cache National Forest, Utah .....                                      | - - :f/          | 50,000:       | 50,000      |
| Superior National Forest .....   | g/ - - :h/       | 500,000:e/    | 500,000     |
| Special Acts (Cache National Forest - appropriation of receipts) ..... | 10,000:          | 10,000:       | 10,000      |
| Cooperative range improvements .....                                   | e/ 700,000:e/    | 700,000:      | 700,000     |
| Total, Forest Service .....  | 99,271,569:      | 109,520,750:  | 119,926,000 |

a/ Includes \$514,000 provided in the Third Supplemental Appropriation Act, 1957, to be derived by transfer from "Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service".

b/ Includes contingency funds for use to the extent necessary as follows: (1) for the Forest Pest Control Act, 1956, \$3,137,500; 1957, \$1,751,000; 1958, \$1,760,000; and (2) for emergency forest fire fighting, 1956, \$1,750,000; 1957, \$1,750,000; 1958, \$5,000,000.

c/ Includes supplemental appropriations as follows: National Forest Protection and Management, \$300,000 in Supplemental Appropriation Act, 1956 and \$200,000 in Second Supplemental Appropriation Act, 1956; Fighting Forest Fires, \$5,250,000 appropriated in Second Supplemental Appropriation Act, 1956.

d/ Includes supplemental appropriations as follows: Fighting Forest Fires, \$5,000,000 appropriated and \$1,500,000 authorized to be derived by transfer from other appropriations available to the Department in the Second Urgent Deficiency Appropriation Act, 1957; Control of Forest Pests, \$800,000 authorized to be derived by transfer from other appropriations available to the Department in the Third Supplemental Appropriation Act, 1957.

e/ In addition, prior year balances available.

f/ Appropriated in the Second Supplemental Appropriation Act, 1957.

g/ Prior year balances available.

h/ Appropriated in the Supplemental Appropriation Act, 1957. In addition, prior year balances available.

| Agency or Item   | Appropriations   |               |             |
|--|------------------|---------------|-------------|
|  | 1956             | 1957          | 1958        |
| ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES - Continued:                        |                  |               |             |
| AGRICULTURAL MARKETING SERVICE:  |                  |               |             |
| Marketing research and service:  |                  |               |             |
| Marketing research and agricultural estimates .....                              | 11,884,976:      | 13,437,000:   | 14,116,700  |
| Marketing services .....   | 12,669,830:      | 13,020,000:a/ | 15,574,900  |
| Total, Marketing research and service .....                                      | 24,554,806:      | 26,457,000:   | 29,691,600  |
| Payments to States .....   | 1,000,000:       | 1,160,000:    | 1,160,000   |
| School lunch program .....   | 83,235,272:      | 100,000,000:  | 100,000,000 |
| Total, Agricultural Marketing Service .....                                      | 108,790,078:     | 127,617,000:  | 130,851,600 |
| FOREIGN AGRICULTURAL SERVICE .....   | 3,443,063:       | 3,750,000:    | 4,002,300   |
| COMMODITY EXCHANGE AUTHORITY .....   | b/ 775,000:      | 787,400:      | 832,000     |
| COMMODITY STABILIZATION SERVICE:   |                  |               |             |
| Acreage allotments and marketing quotas .....                                    | 38,917,706:      | 40,963,000:   | 40,715,000  |
| Sugar Act program .....  | 59,600,000:      | 67,600,000:   | 67,662,500  |
| Total, Commodity Stabilization Service .....                                     | 98,517,706:      | 108,563,000:  | 108,377,500 |
| FEDERAL CROP INSURANCE CORPORATION (Operating and administrative expenses) ..... | c/ 6,210,016:c/  | 6,210,000:c/  | 6,376,700   |
| RURAL ELECTRIFICATION ADMINISTRATION (Salaries and expenses) .....               | 8,135,862:       | 8,600,000:    | 9,030,950   |
| FARMERS' HOME ADMINISTRATION (Salaries and expenses) .....                       | d/ 26,339,544:e/ | 27,750,000:   | 29,089,500  |
| OFFICE OF THE GENERAL COUNSEL .....  | f/ 2,657,000:g/  | 2,785,000:    | 2,943,000   |
| OFFICE OF THE SECRETARY .....  | 2,488,958:h/     | 2,523,400:    | 2,660,660   |
| OFFICE OF INFORMATION .....  | 1,298,600:       | 1,325,000:    | 1,367,500   |
| LIBRARY .....  | 699,950:         | 735,000:      | 772,000     |

a/ Includes \$1,300,000 appropriated in the Supplemental Appropriation Act, 1958.

b/ Includes \$33,000 appropriated in the Supplemental Appropriation Act, 1956.

c/ In addition, Appropriation Acts provide that premium income may be used for operating and administrative expenses, as follows: 1956, \$1,500,000; 1957 and 1958, \$2,000,000.

d/ Includes \$350,000 appropriated in the Supplemental Appropriation Act, 1956 and \$1,500,000 appropriated in the Second Supplemental Appropriation Act, 1956.

e/ Includes \$1,000,000 appropriated in the Second Supplemental Appropriation Act, 1957.

f/ Includes \$40,000 appropriated in the Supplemental Appropriation Act, 1956.

g/ Includes \$45,000 appropriated in the Second Supplemental Appropriation Act, 1957.

h/ Includes \$23,400 provided in the Third Supplemental Appropriation Act, 1957, to be derived by transfer from other appropriations available to the Department.



| Agency or Item   | Appropriations |                |                |
|--|----------------|----------------|----------------|
|  | 1956           | 1957           | 1958           |
| ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES - Continued:  |                |                |                |
| SOIL CONSERVATION SERVICE:   |                |                |                |
| Conservation operations .....  | 62,942,759:    | 67,500,000:    | 72,545,000     |
| Watershed protection .....   | a/ 11,994,243: | a/ 17,500,000: | a/ 25,500,000  |
| Flood prevention .....   | a/ 10,000,000: | a/ 12,000,000: | a/ 13,220,000  |
| Water conservation and utilization projects .....  | b/ - -         | a/ 232,000:    | a/ 350,000     |
| Total, Soil Conservation Service ..  | 84,937,002:    | 97,232,000:    | 111,615,000    |
| GREAT PLAINS CONSERVATION PROGRAM ....   | - -            | - -            | 10,000,000     |
| AGRICULTURAL CONSERVATION PROGRAM SERVICE:   |                |                |                |
| Agricultural conservation program ..   | 214,500,000:   | 227,500,000:   | c/ 212,000,000 |
| Emergency conservation measures ....   | - -            | d/ 4,000,000:  | e/ 20,000,000  |
| Total, Agricultural Conservation Program Service .....   | 214,500,000:   | 231,500,000:   | 232,000,000    |
| SOIL BANK PROGRAMS:  |                |                |                |
| Conservation reserve program .....   | - -            | - -            | f/ 162,940,000 |
| Acreage reserve program .....  | - -            | - -            | g/ 600,000,000 |
| Total, Soil Bank Programs .....  | - -            | - -            | 762,940,000    |
| Deduct, to avoid duplication in total, amounts transferred for pay act costs in 1956 and amounts transferred pursuant to provisions in the Second Urgent Deficiency Appropriation Act, 1957 and the Third Supplemental Appropriation Act, 1957 ..... | -985,000:      | -4,037,400:    | - -            |
| TOTAL, ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES .....  | 809,551,198:   | 924,623,858:   | 1,728,904,848  |
| SUBSCRIPTION TO CAPITAL STOCK, FEDERAL CROP INSURANCE CORPORATION .....  | - -            | h/ 13,000,000: | - -            |

a/ In addition, prior year balances available.

b/ Prior year balances available.

c/ Act authorizes the formulation of a 1958 crop-year program amounting to \$250,000,000.

d/ Appropriated in the Third Supplemental Appropriation Act, 1957 to be available until June 30, 1958.

e/ Included in the Supplemental Appropriation Act, 1958. In addition, prior year balances available.

f/ Appropriation Act contains a provision limiting payments to producers under the Conservation Reserve Program to not to exceed \$325,000,000 in any calendar year.

g/ Appropriation Act includes advance authorization of \$500,000,000 for formulating and administering an acreage reserve program with respect to the 1958 crops.

h/ Appropriated in the Supplemental Appropriation Act, 1957.

| Agency or Item  | Appropriations |                |                |
|---|----------------|----------------|----------------|
|   | 1956           | 1957           | 1958           |
| RESTORATION OF CAPITAL IMPAIRMENT,<br>COMMODITY CREDIT CORPORATION.....         | 1,634,659:     | 929,287,178:   | 1,239,788,671  |
| CORPORATE ADMINISTRATIVE EXPENSE LIMITATION,<br>COMMODITY CREDIT CORPORATION .. | a/ 30,750,000: | b/ 33,000,000: | c/ 35,398,000  |
| SPECIAL ACTIVITIES:   |                |                |                |
| Appropriations for repayment to Com-  |                |                |                |
| modity Credit Corporation for author-   |                |                |                |
| ized programs in 1954, 1955 and 1956:   |                |                |                |
| Agricultural Research Service:  |                |                |                |
| For advances for eradication of   |                |                |                |
| foot-and-mouth and other contag-  |                |                |                |
| ious diseases of animals and  |                |                |                |
| poultry .....   | 5,788,897:     | 1,269,330:     | 1,853,450      |
| For advances for eradication of   |                |                |                |
| brucellosis in cattle .....   | - -            | 11,791,624:    | 16,728,210     |
| Agricultural Marketing Service:   |                |                |                |
| For advances for costs incurred for   |                |                |                |
| inspecting and grading tobacco  |                |                |                |
| and classing cotton .....   | - -            | 367,740:       | 80,449         |
| Commodity Stabilization Service:  |                |                |                |
| For special commodity disposal  |                |                |                |
| programs:   |                |                |                |
| International Wheat Agreement.....  | 57,378,551:    | 101,130,155:   | 92,930,611     |
| Emergency famine relief to  |                |                |                |
| friendly peoples .....  | 9,545,830:     | 88,628,927:    | 94,483,518     |
| Sales of surplus agricultural   |                |                |                |
| commodities for foreign curren-   |                |                |                |
| cies (P.L. 480, approved  |                |                |                |
| July 10, 1954).....   | - -            | 67,477,228:    | 637,000,000    |
| Transfer of hay and pasture seeds   |                |                |                |
| (P.L. 525, approved July 26,  |                |                |                |
| 1954).....  | - -            | 184,678:       | - -            |
| Emergency Feed Assistance in  |                |                |                |
| disaster areas .....  | 42,100,000:    | - -            | - -            |
| Transfer of wheat to Pakistan.....  | 69,385,831:    | - -            | - -            |
| TOTAL, SPECIAL ACTIVITIES .....   | 184,199,109:   | 270,849,682:   | 843,076,238    |
| PERMANENT APPROPRIATIONS:   |                |                |                |
| General Fund appropriations:  |                |                |                |
| Payments to school funds, Arizona and   |                |                |                |
| New Mexico, National forests receipts   | 114,301:       | 129,404:       | 129,400        |
| Removal of surplus agricultural com-  |                |                |                |
| modities (30% of customs receipts)..  | d/166,766,825: | d/199,976,003: | d/ 220,878,158 |
| National Wool Act, Agriculture .....  | 187,684:       | 2,020,975:     | 29,671,679     |
| Total.....  | 167,068,810:   | 202,126,382:   | 250,679,237    |

a/ Includes \$3,177,058 authorized in the Second Supplemental Appropriation Act, 1956.

b/ Includes supplemental authorization of \$2,000,000 in the Third Supplemental Appropriation Act, 1957.

c/ Appropriation Act provides that not less than 7% of the limitation shall be placed in reserve for use only as necessary to carry out program operations.

d/ In addition, prior year balances available.



| Agency or Item  | Appropriations |                |                |
|---|----------------|----------------|----------------|
|   | 1956           | 1957           | 1958           |
| PERMANENT APPROPRIATIONS - Continued:   |                |                |                |
| Appropriations from special sources:  |                |                |                |
| Expenses, brush disposal, Forest Service (special receipt fund) .....                         | a/ 3,447,061:  | a/ 2,873,212:  | a/ 4,500,000   |
| Forest fire prevention .....  | a/ 19,955:     | a/ 15,585:     | a/ 15,000      |
| Payment to Minnesota (Cook, Lake, and St. Louis counties) from National forest receipts ..... | 46,234:        | 46,497:        | 48,000         |
| Payment due counties, submarginal land program, Farm Tenant Act (receipt funds) .....         | 460,619:       | 490,565:       | 425,000        |
| Payments to States and Territories from the National forests fund .....                       | 19,381,155:    | 28,490,343:    | 26,969,200     |
| Roads and trails for States, National forests fund .....                                      | a/ 7,753,873:  | a/ 11,398,646: | 10,788,500     |
| Perishable Agricultural Commodities Act fund (special receipt funds) ...                      | a/ 438,637:    | a/ 532,690:    | a/ 662,000     |
| Total .....   | 31,547,534:    | 43,847,538:    | 43,407,700     |
| TOTAL, PERMANENT APPROPRIATIONS .....   | 198,616,344:   | 245,973,920:   | 294,086,937    |
| LOAN AUTHORIZATIONS:  |                |                |                |
| Rural Electrification Administration Loans:   |                |                |                |
| Rural electrification .....   | b/160,000,000: | c/414,000,000: | d/ 179,000,000 |
| Rural telephone .....   | e/ 75,000,000: | f/100,000,000: | g/ 60,000,000  |
| Total, Rural Electrification Administration .....   | 235,000,000:   | 514,000,000:   | 239,000,000    |

- a/ In addition, prior year balances available.
- b/ In addition, Act provided a contingency authorization of \$100,000,000. Including the carryover of funds from prior years, electrification loans amounting to \$192,719,356 were made in fiscal year 1956.
- c/ Includes supplemental loan authorization of \$200,000,000 provided in the Second Urgent Deficiency Appropriation Act, 1957. Including the carryover of funds from prior years, electrification loans amounting to \$300,461,514 were made in fiscal year 1957.
- d/ Includes a reserve authorization of \$20,000,000. In addition, prior year balances available.
- e/ Including the carryover of funds from prior years, telephone loans amounting to \$80,980,000 were made in fiscal year 1956.
- f/ Includes reserve authorization of \$20,000,000 for use to the extent necessary for the expeditious and orderly development of the rural telephone program. Including the carryover of funds from prior years, telephone loans amounting to \$81,729,000 were made in fiscal year 1957.
- g/ Includes a reserve authorization of \$10,000,000. In addition, prior year balances available.

| Agency or Item                      | Appropriations  |                 |             |
|-------------------------------------|-----------------|-----------------|-------------|
|                                     | 1956            | 1957            | 1958        |
| LOAN AUTHORIZATIONS - Continued:    |                 |                 |             |
| Farmers' Home Administration Loans: |                 |                 |             |
| Farm ownership .....                | 19,000,000:     | a/ 50,000,000:  | 24,000,000  |
| Farm housing .....                  | b/ 5,000,000:   | c/ 450,000,000: | - -         |
| Farm operating (production and sub- |                 |                 |             |
| sistence) .....                     | d/ 137,500,000: | e/ 180,000,000: | 180,000,000 |
| Soil and water conservation .....   | 11,500,000:     | 5,500,000:      | 5,500,000   |
| Total, Farmers' Home Administration | 173,000,000:    | 685,500,000:    | 209,500,000 |
| TOTAL, LOAN AUTHORIZATIONS .....    | 408,000,000:    | 1,199,500,000:  | 448,500,000 |

NOTE.--The Second Supplemental Appropriation Act, 1957, also included, under the heading "Related Agencies", an appropriation of \$150,000 for the Commission on Increased Industrial Use of Agricultural Products authorized by section 209 of the Agricultural Act of 1956.

- a/ Includes supplemental authorization of \$26,000,000 included in the Third Supplemental Appropriation Act, 1957.
- b/ Authorized in the Second Supplemental Appropriation Act, 1956.
- c/ Authorized by P.L. 1020, approved August 7, 1956, for use during fiscal years 1957 to 1961, inclusive.
- d/ Includes \$15,000,000 authorized in Supplemental Appropriation Act, 1956.
- e/ Includes authorization of \$15,000,000 for use to the extent necessary for the expeditious and orderly conduct of the loan program.







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued May 13, 1957  
For actions of May 10, 1957  
85th-1st, No. 78

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HIGHLIGHTS: House committee reported Agricultural appropriation bill. Rep. Dixon inserted Secretary's speech on surplus disposal.

## HOUSE

AGRICULTURAL APPROPRIATION BILL, 1958. The Appropriations Committee reported without amendment this bill, H.R. 7441 (H. Rept. 438). pp. 6007-8

Representatives of the Department agencies have been advised in detail of the Committee's actions on the estimates for the Department. Copies of the bill and committee report will be distributed directly to the agency budget offices, as soon as received, pursuant to a distribution list that has been worked out with the Department agencies. The agencies will receive the material at the same time this office will receive it. The material will not be distributed from this office. In general, copies should be obtained from the agency budget offices rather than from this office.

At the end of this Digest is a summary comparison of the Committee actions with the 1958 estimates and with total anticipated funds available in 1957.

2. POSTAL SERVICES. Received from the Post Office Department a proposed bill to amend certain provisions of law in order to provide for the reimbursement of the Post Office Department for expenses incurred in performing certain services for other agencies; to Post Office and Civil Service Committee. p. 6007

3. EXPENDITURES; TAXATION. Received a Mo. Legislature resolution recommending immediate consideration by Congress of substantial tax and expenditure reductions. p. 6008
4. INFORMATION. The "Daily Digest" contains the following statement: "Conferees, in executive session, agreed to file a report on the differences between the Senate- and House-passed versions of H.R. 4313, to extend the life of D. C. Auditorium Commission. As agreed upon by the conferees, the bill would (1) authorize the GSA to acquire for the D. C. Auditorium Commission the Foggy Bottom site for construction of a D. C. recreational center, and (2) extend the life of the Commission until completion of this project." p. D399
5. ADJOURNED until Mon., May 13. p. 6007

#### ITEMS IN APPENDIX

6. SURPLUS DISPOSAL. Extension of remarks of Rep. Dixon praising Secretary Benson and his Department for the monumental surplus-disposal program they have carried out abroad and including the Secretary's speech on surplus disposal delivered in the patio May 9. pp. A3583-4
7. EXTENSION. Rep. Rains inserted a speech by the Ala. extension director on the value of home demonstration work. pp. A3577-8
8. FARM PROGRAM. Rep. Teague inserted an article from the Freeman, criticizing the English farm program as collectivist, authoritarian, and inefficient. p. A3580
9. TAX AMORTIZATION. Extension of remarks of Rep. Vanik criticizing the rapid tax writeoff program, and inserting a critical editorial. pp. A3586-7  
Extension of remarks of Rep. Dingell criticizing the tax writeoff granted Idaho Power Co. as a windfall and inserting a letter on the subject from the National Rural Electric Cooperative Ass'n. p. A3590
10. BUDGET. Rep. Coudert inserted an editorial urging Congress not to allow the economy wave to imperil national defense or foreign aid. p. A3588

#### BILLS INTRODUCED

11. GOVERNMENT COMPETITION. H.R. 7425, by Rep. Bass, N. H., to establish a Federal policy concerning the termination, limitation, or establishment of business-type operations of the Government which may be conducted in competition with private enterprise; to Government Operations Committee.
12. APPROPRIATIONS. H.R. 7427, by Rep. Bass, N. H., to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations; to Government Operations Committee.
13. SURPLUS PROPERTY. H.R. 7428, by Rep. Bass, N. H., to amend section 602 of the Federal Property and Administrative Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to Government Operations Committee.
14. APPROPRIATIONS. H.R. 7441, by Rep. Whitten, making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958; to Rules Committee.



H. J. Res. 326, by Rep. Pelly, to amend section 139 (d) of title I (relating to changes in the rules of the Senate and House of Representatives) of the Legislative Reorganization Act of 1946, to provide for an additional study to be made by the Committees on Appropriations of both Houses of the Congress; to Rules Committee.

PRINTED HEARINGS RECEIVED IN THIS OFFICE

15. VIRGIN ISLANDS. Problems of the Virgin Islands and the Organic Act of 1954. House Interior and Insular Affairs Committee.

- 0 -

COMMITTEE HEARING ANNOUNCEMENTS:

May 13: Cattle purchase under Sec. 32, authority to require bonds for packers, exemption of auction markets from Packers and Stockyards Act, and prevention of sudden decreases in hog-cattle prices, H. Agriculture (Pettus, AMS, to testify). Inclusion of grazing lands in Soil Bank, H. Agriculture (McLain to testify). Transfer of assets of Colo. Rural Rehabilitation Corp., H. Agriculture (Scott to testify). Third supplemental appropriation bill, S. Appropriations (ACPS to testify). Outdoor Recreation Resources Review Commission, H. Interior (Crafts, FS, to testify). Study of Farmers' Home Administration loans to poultry producers, H. Small Business (Smith, FHA, to testify). Agriculture appropriations, S. Appropriations. Cloud modification research, S. Interstate and Foreign Commerce.

EXCERPTS FROM THE COMMITTEE REPORT ON THE DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

"...Recognizing the need for economy, the Committee has held the appropriations for the regular programs of the Department at the 1957 level. For these activities it has approved 1957 appropriations, plus funds to meet the mandatory retirement contributions, less non-recurring project costs. The Committee has not eliminated or denied any of the new programs requested in the 1958 Budget. It recognizes that most of them have merit and feels that such programs can be met by shifting personnel from present projects to new work of more value. With a total of over 83,000 employees in the Department, the Secretary should be able to meet new needs as they arise without adding employees requiring increased appropriations. While there is a real need to improve farm conditions, it does not appear that the need can be met by adding more employees."

THE PRESENT FARM PICTURE

"Conditions in American agriculture at the present time are not good. Four years experience has shown that reduced acreage, reduced prices, and rising costs lead only to reducing farm income to a disaster level. The last four years have clearly proven, based on records within the Department, that we can not reduce production by reducing prices. Further, they show that we can not reduce world production by merely reducing United States production, and we can not control United States production by reducing United States acreage.

"The records of the past four years prove that as we reduce price we increase production, and as we decrease acreage in basic commodities we increase production per acre and release more acres for nonbasic commodities, thereby increasing total United States agricultural production. The record shows that, if the farmer cuts production to the point of obtaining parity of price at the market place, he will have to create a scarcity which will further reduce his income and will be dangerous for the consuming public.

While changes in the law must come from the Legislative Committee, and changes in policy must come from Department officials, members of this Committee feel that we should point out the increasingly bad situation which exists and should report to the Congress some of the causes, as we see them, of present farm conditions and changes which might be made, both in policy and in the law. Although not related directly to funds in the 1958 appropriation bill, these factors are important to the future welfare of American agriculture, and are significant in terms of appropriations required for future years."

#### ACREAGE CONTROLS INEFFECTIVE

"Part of the trouble lies with the agricultural laws passed in 1933, which except as to price support levels, largely govern present farm programs. At that time the United States produced such a large share of the world's supply of basic commercial crops that it was felt that regulation of United States production would regulate world production. At that time it was believed that cutting United States acreage would control United States production. Provisions for such actions were included in that law. Time and experience have shown that these provisions have not been effective since, as United States acreage has been reduced, world acreage has increased. Further, as United States acreage has been reduced each year, the American farmer has increased his yield per acre through more intensive cultivation and increased use of machinery, fertilizer, and insecticides."

#### FAULTY EXPORT SALES POLICY

"Another part of the trouble lies with the erroneous export sales policies followed by the Department until about 18 months ago. While the United States was paying 738 United States foreign aid technicians to help improve foreign agriculture, the Secretary of Agriculture was refusing to offer United States commodities for sale abroad at competitive prices, as authorized by law."

#### SUGGESTIONS FOR NEW FARM PROGRAM

"Numerous suggestions have been made as to how the farm program might be changed to give the farmer the opportunity to earn a fair income. One method, which was offered originally as the 'Brannan Plan' and was adopted later by Secretary Benson for wool, is to make up from the Federal Treasury the difference between what the farmer gets at the market place and a fair price. While this approach may have some merit, it has one significant defect. It would make the farmer dependent for part of his cost and all of his profit on annual appropriations from Congress.

"Since members of Congress represent all of the American people, 87 percent of whom are not farmers, the farmer would be placed in the position of not being able to rely on this support each year. The level of his income would then be subject to the strong economic and political pressures which develop from year to year.

"The second approach, which has been suggested previously by the author of this report, is to make it to the advantage of the domestic purchaser to pay a fair price at the market place for agricultural products. Such a plan would place the cost of a fair return to the farmer on the purchaser or user of such commodities.



This would put the farmer on a basis somewhat comparable to that of labor, utilities, business, and other segments of the population. Under present laws all of these groups are able to pass on to the user the cost of a fair return for their labor and capital.

"This second alternative is believed to offer some real possibilities for the basic commodities, and a number of others. This plan could be carried out by issuing to the farmer certificates for his share of the domestic market figured in terms of bushels, bales or pounds. Such a plan would provide price support for the farmer's certified share of the domestic market at parity levels, thus requiring the purchaser to pay a fair price. Such a program should then impose a penalty or special tax on processors and other purchasers of commodities purchased for domestic use which were not certified as the farmer's share of the domestic market. This would make it to the advantage of the processors to buy certificated commodities.

"Under this approach, restrictions on production would be removed, and that part of the United States production not certified for domestic markets would be available for world trade at competitive prices, or for domestic use if the tax were paid. On this basis, there should be little if any cost attached to a price support program. Any cost would be offset by taxes or penalties collected on the domestic use of noncertificated commodities. Such a program would transfer the cost of the farm program from the taxpayer to the purchaser or user.

"This type of program would enable us to get away from our present system of acreage controls and the incentive to increase production inherent in such controls. It would let the farmer farm. In actual practice, much of its cost would come from the group between the farmer and the consumer which, according to the record, has absorbed most of the reductions in farm prices as they have been made.

"Many other solutions to the farm problem have been offered and should be considered. However, any new program which is finally adopted should let the farmer farm, should provide protection as to price for his share of the domestic market, and should be paid for by the purchaser at the market place. Under all circumstances, we must keep the right to sell in world markets at competitive prices, authority for which has always existed. We must see that the Secretary continues such a sales program."

#### SOIL BANK

"While there may be some value to the conservation reserve portion of the program, findings developed by a special investigation conducted by the Committee, and information received from various sources throughout the country, raise serious questions concerning the acreage reserve program. Despite the sign-up of some 12 million acres at an estimated cost of \$260 million under the 1956 acreage reserve program, production for most crops was higher in 1956 than in previous years. Most farmers who placed a portion of their land in the acreage reserve stepped up production on the balance of their land. Further, much of the land placed in the acreage reserve was drought land which would not have produced a good crop in any event."

#### SOIL AND WATER CONSERVATION

"For several years now the Committee has felt the need for closer coordination among the various programs of the Soil Conservation Service and the Agricultural Conservation Program. With two new programs of a similar type coming into the picture--the conservation reserve of the Soil Bank and the Great Plains Program--this need has become even greater. For this reason, and due to the difficulty of clearly distinguishing between the activities under each program, the Committee has included a consolidated appropriation for all soil and water conservation activities in the 1958 bill.

"This new appropriation item includes the funds for soil conservation operations, watershed protection, flood prevention, water conservation and utilization projects, agricultural conservation payments, the conservation reserve, and the Great Plains Program. It is believed that such consolidation will make it possible to save money in the overall program, while giving increased attention to phases of the program where vital needs exist. It should also make it possible to make economies by bringing together for the first time the administrative costs for soil and water conservation.

The combined appropriation should provide more flexibility in handling these programs to make certain that the funds are utilized effectively. For instance, under this approach, it is hoped that it may be possible to speed up the various watershed and flood prevention projects, since that appears to be the most effective way to carry out soil and water conservation. Further, the new appropriation will make it possible to use the funds to service new soil conservation districts where this becomes necessary to further the conservation program.

Also, this plan should enable the Congress to provide adequate funds for soil and water conservation research to implement the large overall soil conservation programs authorized each year. There is considerable evidence that soil bank funds and other conservation money could be more effectively used if more conservation research and investigation were done in advance. Proper attention to the soil and water research problems in the various parts of the country where the large sums are being spent under these programs should pay real dividends under this arrangement. In some areas the Department does not now have adequate research information to permit them to recommend conservation practices to be adopted under these conservation programs."

#### RURAL DEVELOPMENT PROGRAM

"It is the belief of a majority of the Committee that the funds available within the 1957 base for this work could better be used to strengthen the regular activities of the various agencies involved. Such action would be of more general benefit to the entire country. Since the basic purpose of the regular activities of these agencies is to help all farmers, including low income farmers, the Committee cannot see the justification for separate funds and separate personnel for a program which is of necessity limited to a handful of counties. In the opinion of a majority of the Committee it would be better to help the price small farmer receive and let them farm. Such a course would be of more benefit to everyone."

#### CONTRADICTIONS IN PRESENT POLICIES

It seems to the Committee that the Secretary and the Congress must review present programs. Figures from the Department's own records indicate that as of now the policy makers of the Department of Agriculture have mounted a horse and are attempting to ride off in all directions at once. If it is sound to expand production through increases for the various programs of the Department, it is highly questionable whether the Congress should appropriate large sums for the acreage reserve under the Soil Bank. If it is sound to reduce production, as the Secretary proposes, he should be required to stop reducing price supports and cutting acreage, when his own records show that increased production has been the result of these actions during the past few years."

#### RESEARCH ADVISORY COMMITTEES

The Committee has been disappointed in the work of these groups in recent years. Instead of making a thorough and continuing review of existing research projects which might be improved or eliminated to make personnel available to meet



new problems, the large increases proposed each year indicate that the time of these Committees is taken up largely with the review and approval of new projects of special interest for which additional funds are always asked. This has resulted in such large increases for research that substantial sums were not needed during the current year and have been diverted to other uses.

"The Committee urges that these advisory groups review their basic purpose and consider how to undertake new and important research projects without continually requesting additional appropriations. In view of the necessity of holding the research funds of the Department for the coming year at the 1957 level, such action becomes absolutely essential.

"In this connection, the Committee has noted the interim report recently released by the Commission on the Increased Industrial Use of Agricultural Products. The Committee is disappointed to note that the recommendations contained therein call for an increased level of Federal expenditures of '\* \* \* not less than three times the amounts currently available; \* \* \*'. This is another example of proposing increases in Federal appropriations in lieu of redirecting effort to meet new demands within existing amounts of funds and personnel. Most of the concrete proposals in this report, which appear as new, are really for expansion of existing work. Little, if any attention appears to have been given to what is already being done in these fields."

#### EXTENSION SERVICE

"Much of the increase authorized for this program during the past few years has been used by the State Extension services to employ administrative people and specialists at the State level and to carry out the experimental Rural Development Program in 57 counties. It appears that, despite these large increases each year, the salaries of county and home demonstration agents in many areas have not kept pace with those in other activities of the Department. According to testimony presented to the Committee, this has created a bad situation in this service. Witnesses have pointed out to the Committee that the United States is paying county agents assigned to foreign countries under the Foreign Aid Program considerably higher salaries than the Extension Service of the various States pays local agents.

"In considering this matter, it should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural system. However, the salaries are determined by the State extension services, and it is beyond the power of the Appropriations Committee to correct this salary deficiency. At the same time, the Committee recognizes the value of this activity, and feels that it has been a mistake for the State extension services not to keep their salary levels comparable to those of other Federal employees working in the same localities.

The Committee strongly urges, therefore, that Federal, State and county officials get together on this problem. It believes that funds can be found within the amount provided for the coming fiscal year to meet the Federal share of reasonable salary increases. In the opinion of a majority of the members of the Committee, the funds being used for the Rural Development Program could better be used to meet these salary needs, than to maintain a separate unit with separate personnel to work with low income farmers in only 57 pilot counties in the Nation at a cost of more than \$36,000 per county. Since the regular county agents are authorized to work with all types of farmers, including low-income farmers, the Committee urges that funds now being used for the Rural Development Program and other special programs at the State level be diverted to help provide needed salary increases for the county and home demonstration agents."

## COMMODITY STABILIZATION SERVICE

Last year, funds were provided to initiate a three-year plan to increase salaries of county office employees to a level equal to that of Federal and private employees doing comparable work. In view of the need for economy this year, and in view of the decision of the Committee to hold all appropriations at the 1957 level, additional funds are not included to continue this program during the coming fiscal year. The Committee recognizes the value of this program, however, and recommends that it be continued during the next year within funds available. A revision in present methods of administering acreage controls should make this possible."

## FEDERAL CROP INSURANCE CORPORATION

"During the next year, the Committee suggests that a reappraisal of the entire program be made by the Department to determine the feasibility of getting sufficient nationwide coverage to make the program solvent and to justify its continuation. Perhaps the only alternative is disaster relief. If this be true, it probably is advisable to continue this program, even though small losses have been incurred in the past. Under an insurance program of this type, the cost to the Federal Government is less. Also, it would appear better to have stricken farmers drawing insurance indemnities rather than disaster relief payments."

## FARMERS HOME ADMINISTRATION

"The Committee is disturbed by the trend away from the original purposes of this agency. This program had its origin in the depression, where farmers were in serious economic straits and were unable to obtain any form of credit from any source. It was set up to help farmers who had no other means of obtaining funds to feed their families. With farm income again at depression levels, this same need exists.

"In recent years, however, this agency has tended, under instructions from the Department, to get away from its original purpose and has ceased to be the place to which the "down and out" farmer can turn to obtain funds to hold on until he can do better. Beginning with 1953, changes in policy and regulations have encouraged some field offices to require that a farmer show that he can make a gross income of around \$4,000 per year before he can be considered eligible for a loan. While the Committee recognizes the value of standards and guides in making loans, it is also cognizant of the basic purpose of this agency and the need to continue available a source of credit to destitute farmers--even though it may almost amount to partial relief in some cases, especially in periods of farm depression such as the country is now experiencing. The Department should recognize that, by reducing the farmers' price and acreage, it has contributed to making his farm an uneconomic unit.

"The Committee urges the Secretary and the new Administrator of this agency to redirect this program along the lines originally contemplated. This is preferable to a program of out-right relief which is probably the only alternative.

## ACREAGE RESERVE, SOIL BANK

"As discussed earlier in this report, the majority of the members of the Committee have serious doubts that the program will reach its basic objective of reducing production--and would question it further if it did. Department of Agriculture statistics on the 1956 program indicate that production was higher for most crops in 1956 than for earlier years, due to increased yields on acreage continued in production and the retirement of unproductive and drought-stricken land. While it is still too early to have firm figures for the 1957 program,



present indications are that total production will not be reduced materially--despite the expenditure of large sums under this program in 1957.

"Some members of the Committee feel that the program should be discontinued immediately, on the basis that it is pointed in the wrong direction. Others feel that it should be eliminated gradually in the next few years. Since it is felt that complete elimination is a major policy decision which should be handled through regular legislative channels, the Committee has moved in the direction of gradual elimination of the program by reducing the appropriation for 1958 to \$600,000,000 and by reducing the size of the next year's program to \$500,000,000.

"There are two reasons why the acreage reserve program has failed to curtail production by any significant amount. One is that the farmer has rented the poorer part of his land to the Government and, thereby, has not taken out of production land with average production. The other is that the farmer has increased his per-acre yields on the land not placed in the acreage reserve, to offset the loss of production on the land taken out of use. If it is desirable to reduce production through a program of this type, and if large sums are to be expended for this purpose, the Committee feels that regulations must be adopted which will make certain that land with average productivity is placed in the acreage reserve. It might be advisable to require that, to be eligible for acreage reserve payments, the farmer should reduce his production by the percentage that the rented acres have to the total acreage on the farm.

"In any event, this program will always be considered by the 87 percent of nonfarmers as a means of giving the farmer something for nothing. In the opinion of a majority of the Committee it should be curtailed for that reason, if for no other. As stated earlier, the principal justification for this program is to restore to the farmer some of the income he has lost through reduced prices and acreage."

#### COMMODITY CREDIT CORPORATION

"In connection with the sales of cotton, large sums were rebated to the purchasers based on Government reclassing of the cotton after it had been sold. Information furnished the Committee indicates that some \$46,000,000 was paid out in this manner, better than half of which went to six of the largest international cotton traders. This situation results either from poor initial classing or substantial deterioration during the period the cotton was held off world markets. It is hard for the Committee to understand, however, how either of these factors could develop to such an extent. There appears to be no evidence of collusion, though in some cases the same persons performed both classing operations--when it was taken over by Commodity Credit Corporation and when it was sold to the private purchaser. It would appear that the same judgment would be applied on both occasions. Further, reports reaching the Committee indicate that much of this cotton was sold in world trade at the original or a higher grade comparatively, even though these large rebates were paid presumably for deterioration of the cotton while in storage. In view of these findings, the Committee recommends that Department officials adopt a regulation which would deny reclassification unless there was a certification from the purchaser that the cotton had been or would be offered in world trade at the same or equivalent grade and class as that at which it was reclassified by the Commodity Credit Corporation. In the absence of such action, the cotton should be sampled on request in advance of sale without reclassing rights."

# UNITED STATES DEPARTMENT OF AGRICULTURE

House Committee Bill, 1958, Compared with Appropriations and REA and FHA Loan Authorizations  
 [Note.--Amounts for 1957 include all supplemental appropriations to date and proposed  
 supplementals included in House Document 115 and are adjusted for comparability with  
 the appropriation structure proposed in the 1958 House Committee Bill.]

| Agency or Item  | Appropriations<br>and Loan<br>Authorizations,<br>1957 | Budget<br>Estimates,<br>1958 | House<br>Committee<br>Bill, 1958 | House<br>Committee<br>Bill, 1958 | Compared With<br>Budget Estimates,<br>1958 | Retirement<br>Costs on Base<br>for 1958 | Other | Increase (+) or Decrease (-),<br>House Committee Bill, 1958 |
|---|---|------------------------------|----------------------------------|----------------------------------|--|---|-------|---|
| ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES:                             |   |                              |                                  |                                  |  |   |       |   |
| Agricultural Research Service:  |   |                              |                                  |                                  |  |   |       |   |
| Research, including research on foot-and-<br>mouth disease .....          | \$48,394,890:   | \$53,666,600:                | \$48,994,890:                    |                                  |  | -                                       |       | -\$4,671,710  |
| Plant and animal disease and pest con-<br>trol, and meat inspection ..... | 45,394,000:   | 45,670,000:                  | 42,268,000:                      |                                  |  | -                                       |       | -3,402,000  |
| State Experiment Stations (principally<br>payments to States) .....       | 29,753,708:   | 34,253,708:                  | 29,753,708:                      |                                  |  | -                                       |       | -4,500,000  |
| Animal disease laboratory facilities ...                                  | 16,250,000:   | -                            | -                                |                                  |  | -                                       |       | -   |
| Extension Service (principally payments<br>to States) .....               | 54,029,000:   | 64,130,000:                  | 58,621,540:                      |                                  |  | -                                       |       | -5,508,460  |
| Agricultural Marketing Service:   |   |                              |                                  |                                  |  |   |       |   |
| Marketing research and service, and pay-<br>ments to States .....         | 27,617,000:   | 31,928,560:                  | 29,476,600:                      |                                  |  | -                                       |       | -2,451,900  |
| School lunch program .....  | 100,000,000:  | 100,000,000:                 | 100,000,000:                     |                                  |  | -                                       |       | -   |
| Foreign Agricultural Service .....  | 3,750,000:  | 4,383,500:                   | 3,902,300:                       |                                  |  | -                                       |       | -481,200  |
| Commodity Stabilization Service:  |   |                              |                                  |                                  |  |   |       |   |
| Acresage allotments and marketing quotas                                  | 40,963,000:   | 43,000,000:                  | 40,715,000:                      |                                  |  | -                                       |       | -2,285,000  |
| Sugar Act program .....   | 67,600,000:   | 72,200,000:                  | 67,662,500:                      |                                  |  | -                                       |       | -4,537,500  |
| Federal Crop Insurance Corporation:                                       |   |                              |                                  |                                  |  |   |       |   |
| Operating and administrative expenses ..                                  | 6,210,000:  | 7,300,000:                   | 6,376,700:                       |                                  |  | -                                       |       | -923,300  |



| Agency or Item                           | Appropriations<br>and Loan<br>Authorizations,<br>1957 | Budget<br>Estimates,<br>1958 | House<br>Committee<br>Bill, 1958 | Increase (+) or Decrease (-), |   |
|--|---|------------------------------|----------------------------------|-------------------------------|---|
|  |   |                              |                                  | House Committee Bill, 1958    | Compared With<br>Budget Estimates, 1958 |
|  |   |                              |                                  | Retirement :                  | Other                                   |
|  |   |                              |                                  | Costs on Base:                | for 1958                                |
| ANNUAL APPROPRIATIONS FOR REGULAR        |   |                              |                                  |                               |   |
| ACTIVITIES - Continued:                  |   |                              |                                  |                               |   |
| Rural Electrification Administration     |   |                              |                                  |                               |   |
| (Salaries and expenses) .....            | 8,600,000:  | 9,629,000:                   | 9,030,950:                       | - -                           | -598,050                                |
| Farmers' Home Administration (Salaries   |   |                              |                                  |                               |   |
| and expenses) .....                      | 27,750,000:   | 30,000,000:                  | 29,089,500:                      | - -                           | -910,500                                |
| Soil and water conservation:             |   |                              |                                  |                               |   |
| Conservation operations, Soil Conserva-  |   |                              |                                  |                               |   |
| tion Service .....                       | 67,500,000:   | 73,545,000:                  |                                  |                               |   |
| Watershed protection .....               | 17,500,000:   | 25,500,000:                  |                                  |                               |   |
| Flood prevention .....                   | 12,000,000:   | 13,220,000:                  |                                  |                               |   |
| Water conservation and utilization       |   |                              |                                  |                               |   |
| projects .....                           | 232,000:  | 350,000:                     |                                  |                               |   |
| Great plains program .....               | - -   | 20,000,000:                  | 535,000,000:                     | - -                           | -140,650,060                            |
| Agricultural Conservation Program        |   |                              |                                  |                               |   |
| Service d/                               |   |                              |                                  |                               |   |
| Conservation reserve, soil bank .....    | 227,500,000:  | 237,000,000:                 |                                  |                               |   |
| Soil and water conservation research ... | - -   | 298,826,660:                 |                                  |                               |   |
| Total .....                              | 5,391,110:  | 7,203,400:                   |                                  |                               |   |
| Acreage Reserve Program .....            | 330,123,110:  | 675,650,060:                 | 535,000,000:                     | - -                           | -140,650,060                            |
| All other .....                          | - -   | 701,173,340:                 | 600,000,000:                     | - -                           | -101,173,340                            |
| Deduct to avoid duplication in total of  | 8,705,800:  | 9,597,000:                   | 9,133,160:                       | - -                           | -463,840                                |
| amounts proposed for transfer in         |   |                              |                                  |                               |   |
| H. Doc. 115 .....                        | -1,737,400:   | - -                          | - -                              | - -                           | - -                                     |
| Total, Annual Appropriations for         | 813,403,108:  | 1,882,581,708:               | 1,610,024,848:                   | - -                           | -272,556,860                            |
| Regular Activities .....                 |   |                              |                                  |                               |   |

| Agency or Item                               | Appropriations<br>and Loan | Authorizations,<br>1957 | Budget<br>Estimates,<br>1958 | House<br>Committee<br>Bill, 1958 | Increase (+) or Decrease (-), |   |
|--|----------------------------|-------------------------|------------------------------|----------------------------------|-------------------------------|---|
|  |                            |                         |                              |                                  | House Committee Bill, 1958    | Compared With<br>Budget Estimates, 1958 |
|  |                            |                         |                              |                                  | Retirement :                  | Costs on Base: Other                    |
|  |                            |                         |                              |                                  | for 1958                      |   |
| SUBSCRIPTION TO CAPITAL STOCK, FEDERAL CROP  |                            |                         |                              |                                  |                               |   |
| INSURANCE CORPORATION .....                  |                            | 13,000,000:             |                              |                                  |                               |   |
| RESTORATION OF CAPITAL IMPAIRMENT,           |                            |                         |                              |                                  |                               |   |
| COMMODITY CREDIT CORPORATION .....           |                            | 929,287,178:            | 1,239,788,671:               | 1,239,788,671:                   |                               |   |
| CORPORATE ADMINISTRATION EXPENSE LIMITATION: |                            |                         |                              |                                  |                               |   |
| COMMODITY CREDIT CORPORATION .....           | f/                         | 33,000,000:             | 38,400,000:                  | 34,398,000:                      |                               | -4,002,000                              |
| SPECIAL ACTIVITIES:                          |                            |                         |                              |                                  |                               |   |
| Appropriations for repayment to Commodity    |                            |                         |                              |                                  |                               |   |
| Credit Corporation for authorized pro-       |                            |                         |                              |                                  |                               |   |
| grams in 1955 and 1956:                      |                            |                         |                              |                                  |                               |   |
| Agricultural Research Service:               |                            |                         |                              |                                  |                               |   |
| For advances for animal disease              |                            |                         |                              |                                  |                               |   |
| eradication activities .....                 |                            | 13,060,954:             | 18,581,660:                  | 18,581,660:                      |                               |   |
| Agricultural Marketing Service:              |                            |                         |                              |                                  |                               |   |
| For advances for costs incurred for          |                            |                         |                              |                                  |                               |   |
| inspecting and grading tobacco               |                            |                         |                              |                                  |                               |   |
| and classing cotton .....                    |                            | 367,740:                | 80,449:                      | 80,449:                          |                               |   |
| Commodity Stabilization Service:             |                            |                         |                              |                                  |                               |   |
| For special commodity disposal               |                            |                         |                              |                                  |                               |   |
| programs:                                    |                            |                         |                              |                                  |                               |   |
| Sales of surplus agricultural                |                            |                         |                              |                                  |                               |   |
| commodities for foreign curren-              |                            |                         |                              |                                  |                               |   |
| cies (Public Law 480, approved               |                            |                         |                              |                                  |                               |   |
| July 10, 1954) .....                         |                            | 67,477,228:             | 637,000,000:                 | 637,000,000:                     |                               |   |
| Other (International Wheat Agree-            |                            |                         |                              |                                  |                               |   |
| ment, Emergency famine relief                |                            |                         |                              |                                  |                               |   |
| to friendly peoples, and trans-              |                            |                         |                              |                                  |                               |   |
| fer of hay and pasture seeds)                |                            | 189,943,760:            | 187,414,129:                 | 187,414,129:                     |                               |   |
| Total, Special Activities ..                 |                            | 270,849,682:            | 843,076,238:                 | 843,076,238:                     |                               |   |

| Agency or Item  | : Appropriations<br>: and Loan | : Authorizations,<br>: 1957 | : Budget<br>: Estimates,<br>: 1958 | : House<br>: Committee<br>: Bill, 1958 | : Increase (+) or Decrease (-), |   |
|---|--------------------------------|-----------------------------|------------------------------------|--|---------------------------------|---|
|   |                                |                             |                                    |  | : House Committee Bill, 1958    | : Compared With<br>: Budget Estimates, 1958 |
|   |                                |                             |                                    |  | : Retirement :                  | : Costs on Base: Other                      |
|   |                                |                             |                                    |  | : for 1958 :                    |   |
| PERMANENT APPROPRIATIONS:   |                                |                             |                                    |  |                                 |   |
| Removal of surplus agricultural commodities (30 percent of customs receipts) .. | 199,976,003:                   |                             | 223,500,000:                       | 223,500,000:                           | - -                             | - -   |
| National Wool Act .....   | 2,020,975:                     |                             | 35,000,000:                        | 35,000,000:                            | - -                             | - -   |
| All other permanent appropriations .....  | 546,000:                       |                             | 675,000:                           | 675,000:                               | - -                             | - -   |
| Total, Permanent appropriations .....   | 202,542,978:                   |                             | 259,175,000:                       | 259,175,000:                           | - -                             | - -   |
| LOAN AUTHORIZATIONS:  |                                |                             |                                    |  |                                 |   |
| Rural Electrification Administration loans :g/                                  | 514,000,000:h/                 | 239,000,000:h/              | 239,000,000:                       | 239,000,000:                           | - -                             | - -   |
| Farmers' Home Administration loans :i/  | 685,500,000:                   | 235,500,000:                | 209,500,000:                       | 209,500,000:                           | - -                             | -26,000,000                                 |
| Total, Loan authorizations .....  | 1,199,500,000:                 | 474,500,000:                | 448,500,000:                       | 448,500,000:                           | - -                             | -26,000,000                                 |

- a/ Includes \$950,000 for Plant and Animal Disease and Pest Control provided in Second Urgent Deficiency Appropriation Act, 1957, to be derived by transfer from other appropriations of the Department.
- b/ Includes \$250,000 for penalty mail cost to be derived by transfer as indicated in the pending Third Supplemental Appropriation Bill, 1957 (H. Doc. 115).
- c/ Includes \$514,000 for penalty mail costs to be derived by transfer as indicated in the pending Third Supplemental Appropriation Bill, 1957 (H. Doc. 115).
- d/ Excludes a supplemental estimate of \$25 million submitted to the Congress on May 9, 1957 for emergency range conservation under P. L. 85-25.
- e/ Includes \$23,400 for "Salaries and Expenses, Office of the Secretary of Agriculture" for cost of Federal Executive Pay Act in the pending Third Supplemental Appropriation Bill, 1957.
- f/ Includes supplemental authorization of \$2,000,000 in the pending Third Supplemental Appropriation Bill, 1957.



- g/ Includes supplemental loan authorization of \$200,000,000 for rural electrification loans included in Second Urgent Deficiency Appropriation Act, 1957 and reserve authorizations of \$25,000,000 for rural electrification loans and \$20,000,000 for rural telephone loans. Including the carryover of funds from prior years, it is estimated that electrification loans amounting to \$340,000,000 and telephone loans amounting to \$80,000,000 will be made in fiscal year 1957.
- h/ Includes reserve authorizations of \$20,000,000 for rural electrification loans and \$10,000,000 for rural telephone loans. Including the carryover of funds from prior years, it is estimated that electrification loans amounting to \$280,000,000 and telephone loans amounting to \$80,000,000 will be made in fiscal year 1958.
- i/ Includes supplemental authorization of \$26,000,000 included in the pending Urgent Deficiency Appropriation Bill, 1957.

# Union Calendar No. 143

|                              |   |                          |   |                   |
|------------------------------|---|--------------------------|---|-------------------|
| 85TH CONGRESS<br>1st Session | } | HOUSE OF REPRESENTATIVES | } | REPORT<br>No. 438 |
|------------------------------|---|--------------------------|---|-------------------|

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## DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

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MAY 10, 1957.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. WHITTEN, from the Committee on Appropriations, submitted the following

### R E P O R T

[To accompany H. R. 7441]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year 1958. The bill covers estimates contained in the 1958 Budget on pages 190, 195–202, 231, and 324–418, as amended by House Document 149, dated April 11, 1957.

While the reduction of \$254 million in the original 1958 budget estimates for the Soil Bank was requested by the President in House Document 149 on April 11, 1957, the Committee wishes to point out that this action was taken after a discussion with the Secretary of Agriculture on February 26, 1957, of some findings of the Committee pursuant to its investigation of this program. This amount, of course, is not included in the following discussions and tabulations.

The present bill provides direct annual appropriations of \$1,610,024,848 for the regular activities of the Department (Title I of Bill), including \$19,399,515 for retirement fund contributions. The sum appropriated is \$403,378,260 less than the \$2,013,403,108 available for expenditure in the present fiscal year. It is \$272,556,860 less than the \$1,882,581,708 recommended in the 1958 budget, a reduction of 14.5 percent for these activities. Except for activities connected with the Soil Bank and soil and water conservation programs, the Committee has, in effect, cut the President's budget for regular activities back to the 1957 level.

Also included in the bill is the sum of \$1,239,788,671 to restore capital impairment of the Commodity Credit Corporation through June 30, 1956 under its price support activities. It should be noted that about half of this amount is for storage, handling, transportation, administrative and interest costs. The balance represents price support losses on commodities sold by the Corporation, some of which were held as long as eight years, during which time the Department failed to offer them competitively in world trade for dollars, as authorized by law, though repeatedly urged so to do. If sales programs started last year at the urging of this committee are continued, the amount of deterioration should decrease and interest, storage and handling charges should be greatly reduced. This should lead to a leveling off of these costs in future years.

The bill further provides \$843,076,238 to reimburse the Commodity Credit Corporation for money expended in fiscal year 1956 for various nonprice support programs under special legislative directives. Of this amount, \$637,000,000 represents sales for foreign currencies under Public Law 480, 83rd Congress.

The bill includes loan authorizations for the Rural Electrification Administration and the Farmers' Home Administration of \$448,500,000, which compares with \$1,173,500,000 available for the current fiscal year. These amounts are merely authorizations for loans which are eventually repaid to the Treasury with interest. Repayments of prior year loans are increasing each year and soon will equal the amount of new loan authorization made available annually.

The following summary sets forth Committee action with respect to various funds in the bill. A tabulation will be found at the end of this report containing the figures for each agency and appropriation.

| Item                              | Approved<br>1957   | Budget<br>1958     | Recommended<br>in Bill | Comparison       |                  |
|-----------------------------------|--------------------|--------------------|------------------------|------------------|------------------|
|                                   |                    |                    |                        | Approved<br>1957 | Budget<br>1958   |
| Regular activities:               |                    |                    |                        |                  |                  |
| On appropriation basis            | \$813, 403, 108    | \$1, 882, 581, 708 | \$1, 610, 024, 848     | +\$796, 621, 740 | -\$272, 556, 860 |
| On comparative basis <sup>1</sup> | 2, 013, 403, 108   | 1, 882, 581, 708   | 1, 610, 024, 848       | -403, 378, 260   | -272, 556, 860   |
| Corporations-----                 | 942, 287, 178      | 1, 239, 788, 671   | 1, 239, 788, 671       | +297, 501, 493   | -----            |
| Special Activities-----           | 270, 849, 682      | 843, 076, 238      | 843, 076, 238          | +572, 226, 556   | -----            |
| Loan Authorizations-----          | (1, 173, 500, 000) | (474, 500, 000)    | (448, 500, 000)        | (-725, 000, 000) | (-26, 000, 000)  |

<sup>1</sup> Includes authorized spending of \$1.2 billion from CCC for 1957 soil bank.

Recognizing the need for economy, the Committee has held the appropriations for the regular programs of the Department at the 1957 level. For these activities it has approved 1957 appropriations, plus funds to meet the mandatory retirement contributions, less non-recurring project costs. The Committee has not eliminated or denied any of the new programs requested in the 1958 Budget. It recognizes that most of them have merit and feels that such programs can be met by shifting personnel from present projects to new work of more value. With a total of over 83,000 employees in the Department, the Secretary should be able to meet new needs as they arise without adding employees requiring increased appropriations. While there is a real need to improve farm conditions, it does not appear that the need can be met by adding more employees.



## THE PRESENT FARM PICTURE

Conditions in American agriculture at the present time are not good. Four years experience has shown that reduced acreage, reduced prices, and rising costs lead only to reducing farm income to a disaster level. The last four years have clearly proven, based on records within the Department, that we can not reduce production by reducing prices. Further, they show that we can not reduce world production by merely reducing United States production, and we can not control United States production by reducing United States acreage.

The records of the past four years prove that as we reduce price we increase production, and as we decrease acreage in basic commodities we increase production per acre and release more acres for nonbasic commodities, thereby increasing total United States agricultural production. The record shows that, if the farmer cuts production to the point of obtaining parity of price at the market place, he will have to create a scarcity which will further reduce his income and will be dangerous for the consuming public.

While changes in the law must come from the Legislative Committee, and changes in policy must come from Department officials, members of this Committee feel that we should point out the increasingly bad situation which exists and should report to the Congress some of the causes, as we see them, of present farm conditions and changes which might be made, both in policy and in the law. Although not related directly to funds in the 1958 appropriation bill, these factors are important to the future welfare of American agriculture, and are significant in terms of appropriations required for future years.

## THE RECORD

Four years ago net farm income was \$14.3 billion, or about 5 percent of the national income of \$281.8 billion. Four years ago the farmer received 47 cents of the consumer's food dollar. At that time the farmer received an average of 82½ cents per hour for his labor. Conditions then were considered to be serious for the farmer and it was generally agreed that something had to be done to improve his economic position.

For four years now the Department of Agriculture has been trying to improve that situation. During this period the Department has insisted that the primary cure for the farmer's plight is to (1) reduce support prices, (2) reduce acreage, (3) increase funds for research and extension, and (4) undertake a rural development program. Then last year, after almost four years of following the Department's policies, as the American people approached an election with farm income down, the Department recommended and the Congress passed the Soil Bank to put up to \$1.2 billion from the Treasury in the farmers' hands.

During the last four years the Department has tried to carry out its policies.

It has reduced price supports an average of 20 percent.

It has reduced acreage for cotton by 38 percent, for rice by 22 percent, for wheat and tobacco by 23 percent.

Funds for research by State experiment stations have been increased 133 percent; funds for other research in the Department and the Extension Service have been increased 56 percent.

In 1957 the Department will spend more than \$2 million in 57 counties in what it calls rural development for low income families, an average cost of more than \$36,000 per county. Nearly every agency in the Department is involved in this program.

In 1956 and 1957 the Department will give away with few strings attached, under the acreage reserve provisions of the Soil Bank, hundreds of millions of dollars, money which the Department counts as part of farm income.

#### THE RESULT

In 1956, after four years, farm income was down to \$11.8 billion, which includes direct relief payments from soil bank funds. This is a drop of \$2.5 billion, or 17.5 percent, since 1952. Comparatively, the personal income of other segments of the American economy increased from \$271.8 billion in 1952 to \$306 billion in 1956, an increase of 12.5 percent. During this period the farmer's share of the consumer's dollar decreased from 47 cents to 40 cents, a drop of 15 percent, while the share for the group between the farmer and the consumer increased correspondingly. Since 1952, the hourly return to the farmer for his labor has dropped from 82½ cents per hour to 70 cents per hour, while earnings of nearly every other economic group have increased substantially.

In the same four year period, farm costs have increased about 10 percent, reflecting increases in income to practically every group between the farmer and the consumer. Further, the farmer's required capital investment and his overall farm debt have increased significantly. The average capital investment required per farm has increased from \$22,836 in 1952 to \$26,327 in 1956, an increase of over 15 percent. Total farm debt in 1952 was \$14.8 billion. This had increased to \$18 billion in 1956, an increase of 21.6 percent.

In spite of the great optimism of officials of the Department of Agriculture, the past four years have not brought parity of income to the farmer from the market place, nor from any other place for that matter. Today finds the farmer receiving much less from the market place than four years ago and depending more and more on direct payments from the Treasury. In the 1958 Budget, \$1 billion is requested for direct payments to farmers under the guise of the Soil Bank. In the opinion of a majority of the Committee, the only sound basis for the acreage reserve section is to help offset loss of income at the market place.

Since 1952, according to records of the Department, price supports on the major crops have been reduced as follows: Corn, 20 percent; cotton, 12 percent; cottonseed, 33 percent; barley and grain sorghums, 26 percent; oats and flaxseed, 25 percent; rye and soybeans, 21 percent; and milk and butterfat, 18 percent. As prices to the farmer have been decreased an average of 20 percent, his part of the national income has decreased in almost the same proportion, about 20 percent.

During this period of reduced price supports, there have been severe reductions in acreage allotments for basic commodities each year. As pointed out earlier, acreage planted to cotton has been reduced approximately 38 percent since 1952. Acreage for rice has been reduced around 22 percent; wheat and tobacco acreage have been reduced approximately 23 percent.



Contrary to the expectations of agricultural officials, who have maintained that reduced price supports and acreage reductions would reduce production, production increased steadily during this period. Not only did the farmer increase his per-acre production of basic commodities, but acreage reductions for basic commodities made available more acres for nonbasic commodities, increasing total production.

The Secretary now sees that reduced price supports and reduced acreage, which he has offered as the cure to so-called over-production, has not worked. In his February 28, 1957, appearance before the Committee he admitted that "controlling production is not the answer." In his appearance on April 16 of this year he told the Committee:

Farmers last year turned in a remarkable performance. They achieved total crop production equalling the previous record from the smallest total harvested acreage in 20 years. Average yields per harvested acre set new overall record levels with few crops falling below average. It should be noted that the large total outturn was attained despite a late, cold spring and severe drought in the Southern Great Plains and the Western Corn Belt, and other high producing areas.

Notwithstanding the Secretary's present use of his authority to sell Commodity Credit Corporation inventories competitively in world trade, leading to the greatest export volume in years in 1956, CCC holdings increased from \$2.5 billion on January 1, 1953 to \$8.2 billion on January 1, 1957. This is largely due to increased production generated by reduced price supports and reduced acreage.

Certainly these results prove the Department's present policies and programs to be inadequate to meet the problem. The facts recited above should lead all interested persons to study the causes and seek the remedies for the present situation, since this country can not long continue to prosper with one segment of its economic structure seriously ill.

#### ACREAGE CONTROLS INEFFECTIVE

Part of the trouble lies with the agricultural laws passed in 1933, which except as to price support levels, largely govern present farm programs. At that time the United States produced such a large share of the world's supply of basic commercial crops that it was felt that regulation of United States production would regulate world production. At that time it was believed that cutting United States acreage would control United States production. Provisions for such actions were included in that law. Time and experience have shown that these provisions have not been effective since, as United States acreage has been reduced, world acreage has increased. Further, as United States acreage has been reduced each year, the American farmer has increased his yield per acre through more intensive cultivation and increased use of machinery, fertilizer, and insecticides.

According to USDA reports, per acre yields for corn increased from the 1945-54 average of 37.1 bushels to 40.6 bushels in 1955 and 45.4 bushels in 1956. For wheat, the 1945-54 average of 17.1 bushels per acre increased to 19.8 bushels in 1955 and 20 bushels in 1956. The



yield per acre for cotton increased from the 1945-54 average of 283 pounds to 408 pounds in 1956. The same increase has been true for many other crops.

One of the more serious aspects of the reduction in acreage each year is that, as the farmer has increased his production per acre, he has made further cuts in his acreage for the next year under the formula contained in the present law, freeing more acreage for production of other farm crops. Further, current programs are encouraging the the farmer to exploit his land, which runs counter to the long-range soil conservation objectives of the Federal Government.

#### ERRONEOUS PRICE-SUPPORT POLICIES

The belief of the present Secretary of Agriculture that lower price supports would reduce farm production and increase domestic consumption has not been borne out, as shown by the records of his own Department. As the farmer's price has gone down, he has increased his production to protect his level of income as far as possible. Despite price support reductions of 20 percent for corn, production in 1956 was 159 million bushels more than in 1952. Likewise, price support reductions for such commodities as barley, flaxseed, rye, sorghums, soybeans, butterfat, and milk resulted in greater production in 1956 than in 1952.

At the same time, domestic consumption on a number of crops has decreased despite price reductions. Domestic consumption of cotton decreased 461,000 bales in 1956 as compared to 1952, although price supports were lowered 12 percent by the Department as a means encouraging increased consumption. Despite reductions in price support levels during the past four years for cottonseed and oats, domestic consumption of these commodities also decreased. It is significant to note that the percentage of consumer income spent for food decreased from 34.4 percent in 1952 to 32.1 percent in 1956.

Further, the record indicates that reductions in prices to the farmer have not been passed on to the consumer. Instead, such reductions have merely increased the take of the so-called "middlemen." Since 1952 the spread between the farmer and the consumer has increased from 53 percent to 60 percent. On the basis of the nation's 1956 food bill of \$53 billion, an additional \$3.7 billion went to these middlemen in 1956 as a result of this increased margin. If only half of this amount taken from the farmer and made available to the middleman had gone to the farmer, it would have provided him much more money than he can hope to get from the Soil Bank. If as much as two-thirds of the middleman's added take had remained with the farmer, he would have been able to maintain his 1952 level of farm income, and his plight today would be much less serious.

#### FAULTY EXPORT SALES POLICY

Another part of the trouble lies with the erroneous export sales policies followed by the Department until about 18 months ago. While the United States was paying 738 United States foreign aid technicians to help improve foreign agriculture, the Secretary of Agriculture was refusing to offer United States commodities for sale abroad at competitive prices, as authorized by law.

The Secretary continues to talk of the United States price support program holding an umbrella over world agricultural production. Yet he readily admits to the Committee that he has had authority to sell in world trade on a competitive basis all along. There is no way to avoid the fact that this price umbrella is due to a decision not to use such authority until late 1955 and early 1956, rather than to the price support program.

The Committee would point out again that the Department has always had authority to sell in world trade for what the commodities would bring. The Secretary admits to such authority and is now using it successfully. In 1956 more agricultural commodities were exported than in any time in twenty years. If the Department had fully used this authority in recent years, the farmers and the Commodity Credit Corporation would be much better off financially than they now are.

#### NEW FARM PROGRAM NEEDED

With economic protections built into the law of the nation for nearly every segment of our economy, the farmer will always be at a competitive disadvantage unless he also has some degree of legislative protection. Constantly increasing costs of transportation, processing, and distribution will continue to force his prices down, since at the opposite end of the economic ladder consumer resistance to price pushes the increased take of the middlemen on to the farmer. Further, as the cost of production increases, and the use of more fertilizer, equipment and insecticides is required to meet the pressure for increased yields, the cost-price squeeze will become even more acute.

Based on years of study of Agriculture, and the familiarity which has come from the annual review of the financial requirements of all of the programs of the Department, it is the opinion of the majority of the members of the Committee that an entirely new legislative approach must be developed if the present conditions are to be corrected. This is essential if the farmer is to share in the general prosperity of the rest of the country—if he is to own an automobile, send his children to school, enjoy a reasonable standard of living, and save and protect the nation's natural resources.

It is to be remembered that, during the long period prior to the 1930's when the farmer had no such protection in law, we wore out 40 percent of our fertile soil and used up 80 percent of our virgin timber. It must be remembered that such a drop in farm income as we have had since 1952 has always led to a depression.

We have had 14 freight rate increases since World War II. We have minimum wages and bargaining rights provided by law. We have had increasing profit guarantees. All these things lead to the fact that the farmer, too, must have a fair return for his investment and his labor. However, he should have such a return from the market place instead of the Treasury.

#### SUGGESTIONS FOR NEW FARM PROGRAM

Numerous suggestions have been made as to how the farm program might be changed to give the farmer the opportunity to earn a fair income. One method, which was offered originally as the "Brannan Plan" and was adopted later by Secretary Benson for wool, is to make up from the Federal Treasury the difference between what the farmer gets at the market place and a fair price. While this approach may



have some merit, it has one significant defect. It would make the farmer dependent for part of his cost and all of his profit on annual appropriations from Congress.

Since members of Congress represent all of the American people, 87 percent of whom are not farmers, the farmer would be placed in the position of not being able to rely on this support each year. The level of his income would then be subject to the strong economic and political pressures which develop from year to year.

The second approach, which has been suggested previously by the author of this report, is to make it to the advantage of the domestic purchaser to pay a fair price at the market place for agricultural products. Such a plan would place the cost of a fair return to the farmer on the purchaser or user of such commodities. This would put the farmer on a basis somewhat comparable to that of labor, utilities, business, and other segments of the population. Under present laws all of these groups are able to pass on to the user the cost of a fair return for their labor and capital.

This second alternative is believed to offer some real possibilities for the basic commodities, and a number of others. This plan could be carried out by issuing to the farmer certificates for his share of the domestic market figured in terms of bushels, bales or pounds. Such a plan would provide price support for the farmer's certified share of the domestic market at parity levels, thus requiring the purchaser to pay a fair price. Such a program should then impose a penalty or special tax on processors and other purchasers of commodities purchased for domestic use which were not certified as the farmer's share of the domestic market. This would make it to the advantage of the processors to buy certificated commodities.

Under this approach, restrictions on production would be removed, and that part of the United States production not certified for domestic markets would be available for world trade at competitive prices, or for domestic use if the tax were paid. On this basis, there should be little if any cost attached to a price support program. Any cost would be offset by taxes or penalties collected on the domestic use of noncertificated commodities. Such a program would transfer the cost of the farm program from the taxpayer to the purchaser or user.

This type of program would enable us to get away from our present system of acreage controls and the incentive to increase production inherent in such controls. It would let the farmer farm. In actual practice, much of its cost would come from the group between the farmer and the consumer which, according to the record, has absorbed most of the reductions in farm prices as they have been made.

Many other solutions to the farm problem have been offered and should be considered. However, any new program which is finally adopted should let the farmer farm, should provide protection as to price for his share of the domestic market, and should be paid for by the purchaser at the market place. Under all circumstances, we must keep the right to sell in world markets at competitive prices, authority for which has always existed. We must see that the Secretary continues such a sales program.

#### RESEARCH AND EXTENSION

One of the Secretary's answers to the farm problem has been increased emphasis on agricultural research and extension activities.



While members of the Committee have always been strong supporters of these programs and have introduced legislation making increased appropriations possible, they have not agreed with the Secretary that additional employees are a substitute for legislation which will make possible a satisfactory farm income.

The Committee has gone along in recent years with sizable increases for research and extension, so as to give the Secretary the opportunity to carry out his proposals. Since 1952, annual appropriations for the State experiment stations have increased from \$12,670,308 to \$29,503,708, an increase of 133 percent. During this same period, appropriations for the Extension Service have increased 56 percent from \$32,100,789 in 1952 to \$49,865,000 in 1957.

The increased demand for research and extension work during the past four years appears to be the direct result of the reduction in farm income. Demands by farmers for better seed, improved cultivation practices, and better fertilizers and insecticides, to offset price and acreage reductions, have undoubtedly increased the pressure upon the Department for this service. The increase in yields per acre each year appears to be the result of these demands.

With farm income continuing to fall, however, it is apparent that increased appropriations for these activities is not the answer to the farm problem. It is apparent that research personnel and county agents are limited in what they can do to improve the farmer's lot in a period of falling prices, reduced acreage and increasing costs.

In the bill for 1958 the Committee is recommending the same appropriation for the research and extension programs as was provided for fiscal year 1957. To continue rapid intensification of agricultural production, with added depletion of the soil of the nation, seems to the Committee to be at cross purposes with other policies. In view of the fact that Congress is asked to appropriate large sums under the Soil Bank to reduce production, the Committee feels that further increases in these fields might well be delayed, especially in view of the large increases of the last few years.

#### SOIL BANK

The Soil Bank Program was offered last year as another answer to the farm problem. It is based on the philosophy that the way to help American agriculture is to reduce American production. It was offered as a temporary stop-gap measure, in view of the fact that the present program of reduced price supports, acreage reductions, increased research and education, and other measures advanced by the Secretary, had failed and the farmers' plight had gotten worse and worse. In fact, a careful reading of the law clearly shows that one of the principal purposes of the program was to get some money into the farmer's hands last fall.

While there may be some value to the conservation reserve portion of the program, findings developed by a special investigation conducted by the Committee, and information received from various sources throughout the country, raise serious questions concerning the acreage reserve program. Despite the sign-up of some 12 million acres at an estimated cost of \$260 million under the 1956 acreage reserve program, production for most crops was higher in 1956 than in

previous years. Most farmers who placed a portion of their land in the acreage reserve stepped up production on the balance of their land. Further, much of the land placed in the acreage reserve was drought land which would not have produced a good crop in any event.

Officials of the Department feel that the 1957 acreage reserve program will show better results. However, only 75 percent of the participation expected has materialized to date, and if conditions improve in the drought areas participation will be even less than now indicated.

In view of this experience, the Committee has reduced the 1958 appropriation for payments under the acreage reserve program from the \$750,000,000 authorized for 1957, and the \$701,173,340 requested for 1958, to a total of \$600,000,000. Further, based on the record and serious doubts as to the advisability of continuing this program beyond the next year, it has limited the amount of commitments which may be made under the 1958 program to \$500,000,000. Reasons for these decisions appear later in this report.

#### SOIL AND WATER CONSERVATION

For several years now the Committee has felt the need for closer coordination among the various programs of the Soil Conservation Service and the Agricultural Conservation Program. With two new programs of a similar type coming into the picture—the conservation reserve of the Soil Bank and the Great Plains Program—this need has become even greater. For this reason, and due to the difficulty of clearly distinguishing between the activities under each program, the Committee has included a consolidated appropriation for all soil and water conservation activities in the 1958 bill.

This new appropriation item includes the funds for soil conservation operations, watershed protection, flood prevention, water conservation and utilization projects, agricultural conservation payments, the conservation reserve, and the Great Plains Program. It is believed that such consolidation will make it possible to save money in the overall program, while giving increased attention to phases of the program where vital needs exist. It should also make it possible to make economies by bringing together for the first time the administrative costs for soil and water conservation.

The combined appropriation should provide more flexibility in handling these programs to make certain that the funds are utilized effectively. For instance, under this approach, it is hoped that it may be possible to speed up the various watershed and flood prevention projects, since that appears to be the most effective way to carry out soil and water conservation. Further, the new appropriation will make it possible to use the funds to service new soil conservation districts where this becomes necessary to further the conservation program.

Also, this plan should enable the Congress to provide adequate funds for soil and water conservation research to implement the large overall soil conservation programs authorized each year. There is considerable evidence that soil bank funds and other conservation money could be more effectively used if more conservation research and investigation were done in advance. Proper attention to the soil and water research problems in the various parts of the country where



the large sums are being spent under these programs should pay real dividends under this arrangement. In some areas the Department does not now have adequate research information to permit them to recommend conservation practices to be adopted under these conservation programs.

#### RURAL DEVELOPMENT PROGRAM

The Rural Development Program, which was offered several years ago to help the low income farmers of the country, is another program adopted by the Secretary as a substitute for adequate farm income. Nine offices of the Department of Agriculture receive large sums for this program, and six other agencies of the Federal Government are involved in this effort. It is doubtful if any program could work effectively with this multitude of agencies and agents.

The Department of Agriculture is spending \$2,061,645 in fiscal year 1957 for this purpose and has requested \$3,955,720 for fiscal year 1958. At the present time, the program is being carried on in only 57 counties, which are designated as pilot counties. This work may be helpful to those counties now receiving this special attention at a cost of more than \$36,000 each. However, to expand the program to the 3,000 counties of the nation, the ultimate cost would run well over \$100 million per year, which is far beyond what the taxpayer can afford to spend for this purpose. Even the Department suggests that such program be held to a pilot plan basis. This the Committee has done by holding the program to the present fiscal year basis.

It is the belief of a majority of the Committee that the funds available within the 1957 base for this work could better be used to strengthen the regular activities of the various agencies involved. Such action would be of more general benefit to the entire country. Since the basic purpose of the regular activities of these agencies is to help all farmers, including low income farmers, the Committee cannot see the justification for separate funds and separate personnel for a program which is of necessity limited to a handful of counties. In the opinion of a majority of the Committee it would be better to help the price small farmers receive and let them farm. Such a course would be of more benefit to everyone.

#### CONTRADICTIONS IN PRESENT POLICIES

Inherent contradictions in the present farm policies of the Department are extremely costly to the farmers and the taxpayers of the country. On the one hand, the Department recommends spending \$1 billion next year under the two phases of the Soil Bank to remove crop land from production for the purpose of reducing production. At the same time it proposes to expand the research and educational activities of the Department to further increase yields and expand production. Further, as it advocates reduced production, it then provides the two greatest incentives for increasing production, reduced acreage and reduced prices.

As pointed out earlier, on April 16 of this year, the Secretary reported to the Committee that farmers turned in a remarkable performance in 1956, achieving record crop production. At the same time,



he reported that, under the Soil Bank, he was doing everything possible to curtail production.

It seems to the Committee that the Secretary and the Congress must review present programs. Figures from the Department's own records indicate that as of now the policy makers of the Department of Agriculture have mounted a horse and are attempting to ride off in all directions at once. If it is sound to expand production through increases for the various programs of the Department, it is highly questionable whether the Congress should appropriate large sums for the acreage reserve under the Soil Bank. If it is sound to reduce production, as the Secretary proposes, he should be required to stop reducing price supports and cutting acreage, when his own records show that increased production has been the result of these actions during the past few years.

#### RESEARCH ADVISORY COMMITTEES

Recognizing the value of bringing to the Department the advice of outside organizations dealing with agriculture, members of the Committee have strongly supported the twenty-five research advisory committees established ten years ago. The Committee has felt that such a system would help to keep the research program of the Department on a sound and practical basis and has relied on such groups to provide the principal review of the many individual projects proposed in the budget each year.

The Committee has been disappointed in the work of these groups in recent years. Instead of making a thorough and continuing review of existing research projects which might be improved or eliminated to make personnel available to meet new problems, the large increases proposed each year indicate that the time of these Committees is taken up largely with the review and approval of new projects of special interest for which additional funds are always asked. This has resulted in such large increases for research that substantial sums were not needed during the current year and have been diverted to other uses.

The Committee urges that these advisory groups review their basic purpose and consider how to undertake new and important research projects without continually requesting additional appropriations. In view of the necessity of holding the research funds of the Department for the coming year at the 1957 level, such action becomes absolutely essential.

In this connection, the Committee has noted the interim report recently released by the Commission on the Increased Industrial Use of Agricultural Products. The Committee is disappointed to note that the recommendations contained therein call for an increased level of Federal expenditures of " \* \* \* not less than three times the amounts currently available; \* \* \*." This is another example of proposing increases in Federal appropriations in lieu of redirecting effort to meet new demands within existing amounts of funds and personnel. Most of the concrete proposals in this report, which appear as new, are really for expansion of existing work. Little, if any attention appears to have been given to what is already being done in these fields.

## COMMITTEE INVESTIGATIONS

During the past year, the Committee has made a number of special investigations of various activities of the Department of Agriculture. These investigative reports, together with brief comments thereon after review by the Department, have been printed in full in parts 1 and 6 of the Committee Hearings on the 1958 Budget.

The studies of (1) Activities of the General Sales Office of the Commodity Credit Corporation; (2) Foreign production statistics, Foreign Agricultural Service, and (3) Price spread data, Agricultural Marketing Service, were made to determine the effectiveness of these new programs which were set up for the first time by the Committee in the 1956 appropriation bill. The findings have been published for the information and use of those interested in the subject matters covered. In general, the Committee is pleased with work being done in these fields by the Department, as reflected by these reports, and urges continuation and expansion of these programs.

The investigation of the Commodity Stabilization Service and the handling of its grain program is in the nature of a follow-up of a similar study made a year ago. The Committee is happy to note that corrective action has been taken on some of the points raised in the previous report. It believes, however, that the Department should take further action to stop the increasing costs to the CCC and the taxpayer of grain handling under the 1956 Uniform Grain Storage Agreement.

The inquiry into the Soil Bank Program was made during the first three months of calendar year 1957. It was directed largely at the 1956 program, since information on 1957 was incomplete. As outlined elsewhere in this report, the findings raise some serious questions as to the ultimate value of the program. These findings contributed to a large degree to the reduction in funds for 1958 for this purpose.

## [ AGRICULTURAL RESEARCH SERVICE

The Agricultural Research Service conducts the production and utilization research of the Department (except forestry research), and the inspection, disease and pest control, and eradication work associated with this research.

*Research.*—The Committee recommends \$48,994,890 for 1958, a decrease of \$11,880,110 in the budget estimate. Apparent reductions below 1957 come from non-recurring and transferred items. The amount provided includes funds for all research formerly carried under this heading, plus funds previously carried separately for foot- and-mouth research at Plum Island and research on strategic and critical agricultural materials.

The amount recommended provides for the continuation of these programs at the 1957 level of operation. It includes an additional \$2,385,000 for mandatory retirement fund contributions, offset by reductions for non-recurring construction projects authorized in 1957 and the transfer of conservation research funds to the new soil and water conservation appropriation.

As pointed out earlier in this report, the action of the Committee is not intended to deny or eliminate any of the increases proposed in



the 1958 Budget. In view of the urgent need for economy, however, the Committee believes that it should hold this appropriation, together with all others in the bill, at the 1957 level. It is pointed out that funds for research have been increased 56 percent since 1952. Perhaps a year of settling down could well add to overall research effectiveness. Good administration should make it possible to undertake many of the new programs proposed in the coming year through the elimination or slowing down of less worthwhile projects now being carried on. Even with the 1957 appropriation level for next year, there is some latitude to undertake new projects, since a portion of the research money for the present fiscal year will not be used.

A number of worthwhile projects were brought to the Committee's attention during the hearings by various members of Congress, and others, including additional research on dried beans and bulb production and studies relative to the contamination of agricultural products from phosphate plants and similar industrial establishments. Here again the Committee calls on the Secretary and the research advisory committees to give these projects careful consideration and make every effort to undertake them through the discontinuance of less productive work now being performed.

*Plant and animal disease and pest control.*—A total of \$25,682,000 is proposed for the coming fiscal year, a decrease of \$3,112,000 below 1957 and a decrease of \$1,270,000 in the budget estimate. The amount recommended includes an additional \$968,000 for mandatory retirement fund contributions, offset by a reduction of \$4,080,000 expended in 1957 for the Mediterranean fruit fly which will not be required again in 1958.

In its report on the Second Urgent Deficiency Appropriation Bill for 1957 the Committee called attention to the serious problem developing in the southern part of the country in connection with the "fire-ant." In that report the Committee urged the Department to immediately develop a program to meet this threat to the crops and livestock of the area. The Committee wishes to reemphasize the urgency of this matter and to urge the Department to undertake this program as soon as possible.

*Meat inspection.*—The Committee recommends the sum of \$16,586,000 for 1958, an increase of \$936,000 over 1957 and a decrease of \$2,132,000 in the budget estimate. The entire increase represents the additional funds required to meet the mandatory retirement fund contributions in 1958.

*State experiment stations.*—An appropriation of \$29,503,708 is recommended for payments to States, Hawaii, Alaska and Puerto Rico. Also, \$250,000 is provided for penalty mail costs. The amounts recommended are the same as those provided for 1957 and are \$4,500,000 less than proposed in the 1958 budget.

Since 1952, appropriations for this purpose have increased 133 percent. This has largely been due to the Secretary's belief that additional research is one of the principal means of offsetting declining farm income and the increasing demands of the farmers of the country for better seed, fertilizers, insecticides and cultivation practices to increase per acre production to offset falling prices and reduced acreage allotments.

As pointed out earlier in this report, the Committee has gone along with these large increases in prior years in order to give the Secretary



the opportunity to try out his policies. The Committee members believe research to be highly important, but would point out that expanding research designed to increase agricultural production is at complete cross purposes with the Department's program of spending hundreds of millions of dollars through the soil bank programs—along with price and acreage reductions—in an effort to curtail production. It has held these funds for next year to the 1957 level with the belief that a year of leveling off is desirable.

#### EXTENSION SERVICE

The Extension Service takes research results and other agricultural information to rural people to help them meet their farm and home problems. It is financed from Federal, State, county and local sources. The funds are used within the States for employment of county agents, home demonstration agents, 4-H club agents, State specialists, and others who conduct the educational programs of the Department.

*Payments to States, Hawaii, Alaska, and Puerto Rico.*—The sum of \$49,101,000 is included in the bill for the coming fiscal year, the same amount as available for 1957. While it does not provide the increase of \$5,264,000 included in the 1958 Budget, such sum is 56 percent higher than appropriations for this purpose in 1952. The Committee has held to the present year's figure in line with the general policy followed throughout the bill.

Much of the increase authorized for this program during the past few years has been used by the State Extension services to employ administrative people and specialists at the State level and to carry out the experimental Rural Development Program in 57 counties. It appears that, despite these large increases each year, the salaries of county and home demonstration agents in many areas have not kept pace with those in other activities of the Department. According to testimony presented to the Committee, this has created a bad situation in this service. Witnesses have pointed out to the Committee that the United States is paying county agents assigned to foreign countries under the Foreign Aid Program considerably higher salaries than the Extension Service of the various States pays local agents.

In considering this matter, it should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural system. However, the salaries are determined by the State extension services, and it is beyond the power of the Appropriations Committee to correct this salary deficiency. At the same time, the Committee recognizes the value of this activity, and feels that it has been a mistake for the State extension services not to keep their salary levels comparable to those of other Federal employees working in the same localities.

The Committee strongly urges, therefore, that Federal, State and county officials get together on this problem. It believes that funds can be found within the amount provided for the coming fiscal year to meet the Federal share of reasonable salary increases. In the opinion of a majority of the members of the Committee, the funds being used for the Rural Development Program could better be used to meet these salary needs, than to maintain a separate unit with separate personnel to work with low income farmers in only 57 pilot

counties in the Nation at a cost of more than \$36,000 per county. Since the regular county agents are authorized to work with all types of farmers, including low-income farmers, the Committee urges that funds now being used for the Rural Development Program and other special programs at the State level be diverted to help provide needed salary increases for the county and home demonstration agents.

*Retirement costs for extension agents.*—The budget estimate of \$5,260,000 is recommended for 1958 to meet the retirement fund contributions for cooperative extension agents. Since these funds are not distributed under the formula provided for the regular "grant" funds, a separate appropriation is provided.

*Penalty mail.*—The Committee recommends the full budget estimate of \$2,164,000 for penalty mail costs of State extension directors for the coming fiscal year, as provided by Public Law 705, 84th Congress. This is the same amount as provided for 1957.

*Federal Extension Service.*—The Committee recommends an appropriation of \$2,096,540 for the coming year, an increase of \$96,540 over 1957 and a decrease of \$244,460 in the budget estimate. The entire increase is provided to meet the mandatory retirement fund contributions for this service in 1958.

#### FARMER COOPERATIVE SERVICE

This service conducts research and carries on related service and educational activities on various problems of cooperatives. It works closely with cooperatives throughout the country to help such organizations improve the operation of their businesses. It also advises other Federal agencies on problems relating to agricultural cooperatives.

The bill includes the budget estimate of \$578,000 for the fiscal year 1958, an increase of \$28,000 over 1957. The entire increase covers the mandatory retirement fund contributions of this organization in 1958.

#### AGRICULTURAL MARKETING SERVICE

The marketing and distribution functions of the Department, which are centered in this Service, include research and development of agricultural marketing and distribution; analyses relating to farm prices, income and population, and demand for farm products; crop and livestock estimates and related statistical and economic research; market news service; inspection, grading and classing of farm products; freight rate assistance; marketing and regulatory acts; cooperative programs in marketing; the National School Lunch Program; surplus removable programs under section 32 of the Agricultural Adjustment Act; and food trade activities.

*Marketing research and service.*—A total of \$28,316,600 is proposed for 1958, an increase of \$1,859,600 over 1957 and a reduction of \$2,351,900 in the budget estimate. This amount includes \$14,041,700 for marketing research and agricultural estimates and \$14,274,900 for marketing services. The full amount of the increase covers the mandatory retirement fund contributions for these activities for the coming fiscal year.

The Committee has approved budget language authorizing the purchase of additional land to continue research now being conducted



in government-owned buildings on leased land. The language is provided so that the Department may take whatever steps may be necessary to protect the Government's investment in these buildings.

The Committee has received considerable testimony in recent years from Department witnesses and others indicating that expanded production of meat-type hogs is desirable. Such hogs were developed in this country some years ago. They are greatly desired by the consumer, but neither the trade nor the Department have been willing to set up a grading system.

Farmers developing desirable meat-type hogs do not find it possible to obtain a fair price in the market for their efforts. Consumers would willingly consume more pork if they were assured of tasty, lean pork. Hog producers suffer because of lack of market and lack of price advantage that would encourage the production of a more marketable type of pork. This shortsighted policy on the part of the trade and the Department has the further disastrous results of making it difficult to compete for world markets which farmers of the United States definitely need.

During this past year, certain members of the Committee held hearings at Morris, Minnesota, at which time testimony was presented on this subject. The Committee understands that Canada has made considerable progress in providing incentives for the production of this type of animal, which is reflected in increased markets and prices for Canadian hogs, especially for A grade carcasses. At the same time, the support programs of the United States for perishable commodities have not been effective and have been costly to the taxpayer. The Committee recommends, therefore, that appropriate officials of the Department make a thorough study of the Canadian program so as to develop better markets and prices to American hog producers.

*Payments to States, Territories and Possessions.*—The 1957 appropriation of \$1,160,000 is recommended for the coming fiscal year, a decrease of \$100,000 in the budget estimate. Payments under this program are made on a matched-fund basis to State and territorial marketing agencies for projects aimed at putting into use, in the marketing of farm products, improved methods and practices developed by the marketing research program. The Committee believes that the amount provided will be adequate to match State funds available for this purpose during the coming fiscal year.

*School Lunch Program.*—The Committee recommends an appropriation of \$100,000,000 for the coming fiscal year, a continuation of the program authorized for fiscal year 1957.

Testimony presented to the Committee indicates continued increases in the number of school children affected by this program and the number of meals served each year. During fiscal year 1956 some 10½ million school children participated in this program and over 1.7 billion meals were served. During that same fiscal year total Federal contributions, including Section 32 donations, amounted to \$228.2 million, while State and local contributions, including payments by school children, totaled \$519 million. Comparable estimates for the 1957 program are that total Federal contributions will be \$284.1 million and State and local contributions will be \$562 million.



## FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service develops plans and policies related to the administration of the foreign affairs and interests of United States agriculture. It gathers, analyzes and disseminates to American agriculture basic information on foreign marketing of United States agricultural products. It coordinates and directs a worldwide agricultural attaché service with particular emphasis on the development of markets for American products and on trade reporting from foreign areas designed to aid the American farmers and exporters.

For the fiscal year 1958, the Committee recommends \$3,902,300 for this program, a decrease of \$481,200 in the budget estimate. An increase of \$152,300 is recommended to meet the mandatory retirement fund contributions.

The Committee has approved budget language which would continue available for agricultural attachés certain authorities of the State Department which were codified into basic legislation last year. In this connection, it has come to the Committee's attention that salaries and other emoluments of many of the agricultural attachés are not comparable with those of other foreign service employees. Also, the Committee has also been informed that the agricultural attachés do not enjoy the same status as other attachés in some areas. The Committee deplores this situation and urges officials of the Department of Agriculture and the State Department to correct this condition. The agricultural interests of the United States cannot be represented properly if the agricultural attachés are not given equal support and status at each foreign post. It is requested that this Committee be kept advised of developments in this matter.

In recent years, the Foreign Agriculture Service has been transferring funds from "section 32" for foreign market promotion and administration of import controls. It is noted that \$1,917,800 will be transferred in 1957 and it is proposed to transfer \$2,094,000 in fiscal year 1958. While the Committee recognizes this work as a proper charge to section 32 funds, it feels that close control over these transfers must be exercised. It recommends that the amount transferred in the coming fiscal year be limited to a total of \$2,000,000.

## COMMODITY EXCHANGE AUTHORITY

The objectives of this program are to prevent commodity price manipulation and corners; prevent dissemination of false and misleading crop and market information; protect hedgers and other users of the commodity futures market; insure the benefits of membership privileges on contract markets to cooperative associations of producers; insure trust-fund treatment of margin moneys and equities of hedgers and other traders; and provide information to the public regarding trading operations and contract markets.

The budget estimate of \$832,000 is proposed for the coming fiscal year for this purpose. The full increase of \$44,600 is recommended to meet the mandatory retirement fund contributions during the coming fiscal year.

## COMMODITY STABILIZATION SERVICE

The Commodity Stabilization Service has responsibility for the operation of the Commodity Credit Corporation, the acreage allotment and marketing quota program, the Sugar Act, the International Wheat Agreement, the ASC State and County Offices, and various related activities.

*Acreage allotments and marketing quotas.*—An appropriation of \$40,715,000 is included in the bill for the fiscal year 1958, a decrease of \$248,000 below the 1957 appropriation and a reduction of \$2,285,000 in the budget estimate. The amount approved includes an additional \$291,000 to meet mandatory retirement fund contributions, offset by an estimated savings due to the fact that certain operations can be done concurrently for this program and for the soil bank programs.

Last year, funds were provided to initiate a three-year plan to increase salaries of county office employees to a level equal to that of Federal and private employees doing comparable work. In view of the need for economy this year, and in view of the decision of the Committee to hold all appropriations at the 1957 level, additional funds are not included to continue this program during the coming fiscal year. The Committee recognizes the value of this program, however, and recommends that it be continued during the next year within funds available. A revision in present methods of administering acreage controls should make this possible.

*Sugar Act program.*—The Committee recommends the sum of \$67,662,500 for 1958, an increase of \$62,500 over 1957 and a decrease of \$4,537,500 in the budget estimate. The additional \$62,500 covers the mandatory retirement fund contributions in fiscal year 1958.

## FEDERAL CROP INSURANCE CORPORATION

Crop insurance offered to agriculture producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The Committee recommends the sum of \$6,376,700 for administration of this program in 1958, a decrease of \$923,300 in the budget estimate. An increase of \$166,700 is recommended to meet the mandatory retirement fund contributions in 1958.

This program was set up nine years ago on an experimental basis in an effort to determine whether or not crop insurance is economically feasible. For three years the Corporation operated at a surplus; for six years it operated at a deficit. During this period, premiums totaled \$173.1 million and indemnities totaled \$190 million, a net loss of \$16.9 million.

During the next year, the Committee suggests that a reappraisal of the entire program be made by the Department to determine the feasibility of getting sufficient nationwide coverage to make the program solvent and to justify its continuation. Perhaps the only alternative is disaster relief. If this be true, it probably is advisable to continue this program, even though small losses have been incurred

in the past. Under an insurance program of this type, the cost to the Federal Government is less. Also, it would appear better to have stricken farmers drawing insurance indemnities rather than disaster relief payments.

#### RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration was established by Executive Order in 1935 to make loans for the extension of central station electric service to unserved rural people. The agency was continued by the Rural Electrification Act of 1936 and became a part of the Department of Agriculture in 1939. In 1949 the Act was amended to authorize REA to make loans for the purpose of furnishing and improving telephone service to rural areas. Loans for construction of electric and telephone facilities are self liquidating within a period not to exceed 35 years, including interest.

*Loan authorization.*—The bill for 1958 includes the budget estimates of \$179 million for electrification loans and \$60 million for telephone loans. These amounts are \$275 million less than funds authorized for the fiscal year 1957, due to the additional \$200 million loan authority contained in the Second Urgent Deficiency Appropriation Act of 1957.

Recent surveys of needs for electrification loans indicate a substantial increase in demand over that expected at the time the 1957 bill was enacted and the 1958 estimates were initiated. The sums provided in the accompanying bill, together with the funds made available for 1957, including the supplemental funds, should provide adequate loan authorizations to meet all foreseeable needs through June 30, 1958.

*Salaries and expenses.*—For administrative expenses, the Committee recommends the sum of \$9,030,950, an increase of \$430,950 over 1957 and a decrease of \$598,050 in the budget estimate. The amount provided is the 1957 appropriation plus the increase needed to meet the mandatory retirement fund contributions in 1958.

#### FARMERS HOME ADMINISTRATION

The Farmers Home Administration performs the following five major activities: (1) makes direct and insured farm ownership loans to farm tenants, farm laborers, sharecroppers and other individuals for the purchase, enlargement or development of family type farms; (2) makes production and subsistence loans to farmers and stockmen for farm operating expenses and other farm needs, including the financing of indebtedness and family subsistence; (3) makes direct and insured soil and water conservation loans for the development and utilization of water supplies and for the improvement of farm land by soil and water conserving facilities and practices; (4) makes emergency loans to farmers and stockmen in designated areas where disaster has caused need for agricultural credit not readily available from other sources, and (5) makes farm housing loans for construction, improvement, alteration, repair or replacement of dwellings and other farm buildings. Technical guidance in planning and carrying out sound farm operations is provided farmers on the basis of their individual problems and needs. No loans are made to applicants who can secure adequate credit from other sources at reasonable rates.



*Loan authorizations.*—For the lending programs of this agency, the Committee recommends a total of \$209,500,000 for the coming fiscal year. This includes \$24,000,000 for farm ownership loans, \$180,000,000 for farm operation (production and subsistence) loans, and \$5,500,000 for soil and water conservation loans. The total amount recommended is \$450,000,000 less than amounts authorized for 1957 and is \$26,000,000 below the 1958 budget estimates.

The authorizations for farm operation loans and soil and water conservation loans are the same as authorized for 1957 and as proposed in the 1958 Budget. The Committee has reduced the budget request for farm ownership loans to \$24,000,000, the same level as authorized for 1957. It feels that the Department has a moral obligation to protect the interests of borrowers as well as the interests of the Government. Recognition must be given to the fact that these loans are made on a long-term basis and can be disastrous to the family farmer if the current market value of his farm is out of line with its earning capacity.

The present cost-price relationship makes it difficult for family farmers who have no debt to meet their operation obligations. The additional burden of a debt repayment creates an even more difficult situation. Evidence presented to the Committee shows that only three States have a land price index figure below the 1920 level. The high land values during the early 1920's contributed greatly to the farm difficulties during the great depression which followed when the earning capacity of farms declined seriously.

The Committee is disturbed by the trend away from the original purposes of this agency. This program had its origin in the depression, where farmers were in serious economic straits and were unable to obtain any form of credit from any source. It was set up to help farmers who had no other means of obtaining funds to feed their families. With farm income again at depression levels, this same need exists.

In recent years, however, this agency has tended, under instructions from the Department, to get away from its original purpose and has ceased to be the place to which the "down and out" farmer can turn to obtain funds to hold on until he can do better. Beginning with 1953, changes in policy and regulations have encouraged some field offices to require that a farmer show that he can make a gross income of around \$4,000 per year before he can be considered eligible for a loan. While the Committee recognizes the value of standards and guides in making loans, it is also cognizant of the basic purpose of this agency and the need to continue available a source of credit to destitute farmers—even though it may almost amount to partial relief in some cases, especially in periods of farm depression such as the country is now experiencing. The Department should recognize that, by reducing the farmers' price and acreage, it has contributed to making his farm an uneconomic unit.

The Committee urges the Secretary and the new Administrator of this agency to redirect this program along the lines originally contemplated. This is preferable to a program of out-right relief which is probably the only alternative.

*Salaries and expenses.*—An appropriation of \$29,089,500 is recommended for the administrative expenses of this agency during the

coming fiscal year, a decrease of \$910,500 in the budget estimate. The full amount of the increase of \$1,339,500 recommended in the bill is required to meet the mandatory retirement fund contributions next year.

#### OFFICE OF THE GENERAL COUNSEL

This office performs all legal work arising from the activities of the Department. The General Counsel represents the Department in many administrative proceedings for the promulgation of rules having the force and effect of law; in quasi-judicial hearings held in connection with the administration of various programs and acts; and in proceedings before the Interstate Commerce Commission involving freight rates and practices relating the farm commodities. He serves as general counsel for the Commodity Credit Corporation and the Federal Crop Insurance Corporation. In addition, he furnishes necessary review in connection with criminal cases arising under the programs of the Department for the purposes of referring them to the Department of Justice.

The sum of \$2,943,000 is proposed for this office for 1958, a reduction of \$229,000 in the budget estimate. An increase of \$158,000 is provided to meet the mandatory retirement fund contributions of this office during the coming year.

#### OFFICE OF THE SECRETARY

The Office of the Secretary includes such staff offices of the Department as the immediate Office of the Secretary, the Office of Personnel, the Office of Budget and Finance, the Office of Plant and Operations, and the Office of Hearing Examiners.

The Committee recommends \$2,640,660 for 1958, an increase of \$140,660 over funds appropriated for 1957 and a decrease of \$85,340 in the budget estimates. The entire increase is required to meet the 1958 retirement fund contributions.

One of the more urgent items proposed in the budget for this office was an increase of \$25,700 for additional hearing examiners. During the hearings it was pointed out that one of the problems facing this activity is the extended length of some of the hearings on the various marketing orders of the Department. An example was cited concerning a milk marketing order hearing in New York and New Jersey which had been in session for 84 days and had not been completed.

The Committee can understand the problem here. However, since it is not possible to provide the additional funds requested it is suggested that the Department take such steps as may be necessary to place a reasonable time limit on these hearings.

#### OFFICE OF INFORMATION

The Office of Information has general direction and supervision over all publications and other information activities of the Department. The office publishes the Yearbook of Agriculture, the Annual Report of the Secretary of Agriculture, the Department Directory, and the Department List of Publications. It handles the distribution of farm bulletins and requests for information received in the Department. It also produces motion pictures, art and graphics materials



and photographic work for the Department and other government agencies through reimbursement.

For the coming year, the Committee recommends the sum of \$1,367,500, an increase of \$42,500 over 1957 and a decrease of \$97,500 in the budget estimate. The full increase is required to meet the mandatory retirement fund contributions next year.

#### LIBRARY

The Library procures and preserves all information concerning Agriculture. Under the act establishing the Department of Agriculture, it serves as the national agricultural library.

The bill includes \$772,000 for this activity for the coming fiscal year, a decrease of \$52,000 in the budget estimates. An increase of \$37,000 is provided to meet the mandatory retirement contributions of this office during the next year.

#### SOIL AND WATER CONSERVATION

This appropriation includes all funds for the Soil Conservation Service, including soil conservation operations, watershed protection, flood prevention, and water conservation and utilization projects. In addition, it includes funds for the new Great Plains Program, the Agricultural Conservation Program, and the conservation reserve portion of the Soil Bank.

As explained earlier in the report, the Committee has consolidated the funds for all of these programs into a single appropriation for the coming fiscal year. It is expected that this action will result in closer coordination among the soil and water conservation activities of the Department and will provide sufficient flexibility to make certain that the more valuable portions of the program are properly financed, or even expanded where new districts and projects are involved and local people are ready to meet their share of the cost. This should insure maximum advancement and effectiveness of the soil and water conservation efforts of the Department and should result in economies of operation. It should also result in the integration of these programs to the point where basic legislation can be simplified.

The amount recommended for the coming year for the combined appropriation is \$535,000,000, a decrease of \$133,441,660 in the budget estimates for 1958 for these programs. The amount proposed is \$210,268,000 above 1957 appropriations actually made to date for these programs. However, when the \$450,000,000 authorized spending from CCC for the 1957 conservation reserve program of the Soil Bank is taken into consideration, the amount recommended is \$239,732,000 below the rate of expenditures authorized for these purposes during 1957.

In addition, the bill includes an advance authorization of \$250,000,000 for the 1958 agricultural conservation program, which is the same amount as was authorized for the 1955, 1956 and 1957 programs. The bill also includes language limiting the size of future conservation reserve programs to \$250,000,000 in any calendar year.

The Committee expects that increased emphasis will be given to watershed protection and flood prevention projects in carrying out the soil conservation program under the consolidated appropriation.



In developing the long-range conservation programs, it is imperative that the maximum use be made of water resources. The Committee suggests that all watershed plans inaugurated under Public Law 566 provide for maximum water conservation on an economically feasible basis.

To spend hundreds of millions of dollars for the various phases of the Soil Bank, and to invest less than \$30,000,000 a year in the permanent type of conservation which the watershed protection and flood prevention projects provide, is extremely short-sighted. Some of these projects have been under construction since 1944 and, at the present rate of progress, many will require another 30 to 40 years to complete. It is estimated that a total of \$70,000,000 will have been expended on the eleven major watershed projects as of next June 30. During the past few years, the Department has spent more than this amount for emergency feed assistance and other types of disaster programs in the drought areas. Had this amount been spent to speed up the watershed and flood prevention projects, it is safe to assume that a great deal of the damage could have been prevented and most emergency appropriations could have been avoided. Also, the amount spent would have become a permanent investment in long-term soil and water conservation, rather than temporary relief of no permanent value.

The budget included \$5 million for transfer to the Forest Service for the expansion of State operated tree nurseries. In view of the reduction in the funds for the overall soil and water conservation activities, the amount for this purpose during the coming year will be small. The Committee believes that adequate seedlings should be available for the conservation reserve program. However, in view of the slow rate at which land owners have signed up and the fact that in many areas adequate supplies are available at reasonable prices from nurserymen, the Committee directs that the Department make a new survey of the need for such nurseries and limit Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at reasonable prices.

The appropriation under this heading includes \$7,200,000 for soil and water conservation research for the coming fiscal year. This fund has been transferred from the Agricultural Research Service to this appropriation in order that it may be considered in connection with the overall soil and water conservation programs with which such research is identified. As pointed out earlier in this report, the need for this research becomes increasingly important as the conservation programs expand. In some areas of the country little or no conservation research has been done to serve as a basis for establishing practices and regulations for the conduct of these programs. In other areas the conservation research program is poorly organized and is conducted in borrowed buildings and with borrowed facilities. Therefore, the Department is urged to review its activities on the basis of the new combined soil and water conservation program of the Department and to establish proper research programs in each major area of the country. In this connection, the Committee has included language authorizing the use of \$1,200,000 for additional research facilities as requested by the budget and for additional work in the Barnes-Aasted and other soil types of the North Central area.

Several members of Congress have requested that the Committee take action to place all watershed protection projects on the same cost-sharing basis. The Committee considered this matter and discussed it with representatives of the Department of Agriculture, who pointed out that the earlier projects gained certain other advantages to offset a slightly higher local contribution. It appears, however, that any relief, if in order, would be beyond the control of this Committee, since such change would require basic legislation.

#### ACREAGE RESERVE, SOIL BANK

As pointed out earlier, the acreage reserve program was established under dire necessity to get some funds in the hands of the farmer last year. It was created to compensate producers for reducing their acreages below farm acreage allotments or base acreages, a course which the Secretary now recognizes will not control production. Commodities affected are wheat, corn, cotton, rice, most types of tobacco and peanuts. Producers are compensated through the issuance of negotiable certificates which CCC redeems in cash or, with respect to grains, in grains at a price which will not materially impair the market price for such grain and will encourage acceptance of grains in lieu of cash. It is now apparent that, if this program were to be pushed, it would have a damaging effect on local business.

The Soil Bank Act authorized an annual acreage reserve program of \$750,000,000, to be financed from Commodity Credit Corporation capital funds on a reimburseable basis for the first year. The basic Act provided further that, beginning with the 1958 fiscal year, the program should be financed through regular annual appropriations. The appropriation included in the bill for 1958, which is the first one considered by Congress for this purpose, is \$600,000,000. This is a decrease of \$101,173,340 in the budget estimate, and a decrease of \$150,000,000 below the program authorized for 1957.

As discussed earlier in this report, the majority of the members of the Committee have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did. Department of Agriculture statistics on the 1956 program indicate that production was higher for most crops in 1956 than for earlier years, due to increased yields on acreage continued in production and the retirement of unproductive and drought-stricken land. While it is still too early to have firm figures for the 1957 program, present indications are that total production will not be reduced materially—despite the expenditure of large sums under this program in 1957.

The Committee made a full field investigation of this program early this year. The findings of that investigation, which are printed in complete detail in part 6 of the hearings on the 1958 Budget, reveal many undesirable aspects of this program and many instances of abuses which will have a very detrimental effect on agriculture in the future. Instances are cited and others have later appeared where the amount of rental paid to remove land from production exceeds the total value of the land. Instances are also reported where land removed from production from one crop, for which Federal payment is made, has been put into other crops—thereby creating double income on such land. Numerous instances have also been reported where



nonfarm people have invested in land with the expectation that acreage reserve payments from the Government will more than repay their full investment in a few years. Also, some cases have been cited where individuals have leased land from the Federal Government and have placed it in the acreage reserve program at rates higher than those paid under the original lease.

Some members of the Committee feel that the program should be discontinued immediately, on the basis that it is pointed in the wrong direction. Others feel that it should be eliminated gradually in the next few years. Since it is felt that complete elimination is a major policy decision which should be handled through regular legislative channels, the Committee has moved in the direction of gradual elimination of the program by reducing the appropriation for 1958 to \$600,000,000 and by reducing the size of the next year's program to \$500,000,000.

There are two reasons why the acreage reserve program has failed to curtail production by any significant amount. One is that the farmer has rented the poorer part of his land to the Government and, thereby, has not taken out of production land with average production. The other is that the farmer has increased his per-acre yields on the land not placed in the acreage reserve, to offset the loss of production on the land taken out of use. If it is desirable to reduce production through a program of this type, and if large sums are to be expended for this purpose, the Committee feels that regulations must be adopted which will make certain that land with average productivity is placed in the acreage reserve. It might be advisable to require that, to be eligible for acreage reserve payments, the farmer should reduce his production by the percentage that the rented acres have to the total acreage on the farm.

In any event, this program will always be considered by the 87 percent of nonfarmers as a means of giving the farmer something for nothing. In the opinion of a majority of the Committee it should be curtailed for that reason, if for no other. As stated earlier, the principal justification for this program is to restore to the farmer some of the income he has lost through reduced prices and acreage.

#### COMMODITY CREDIT CORPORATION

The Commodity Credit Corporation was organized on October 17, 1933. From 1933 through 1939 it was managed and operated in close affiliation with the Reconstruction Finance Corporation. In July 1939, it was transferred to the Department of Agriculture by the President's Reorganization Plan Number 1. Under the Commodity Credit Corporation Charter Act of 1948, it was established as an instrumentality of the United States under a permanent Federal Charter. Operations of the Corporation are conducted under five major programs: (1) price support, (2) supply and foreign purchase, (3) storage facilities, (4) commodity exports, and (5) special activities.

*Restoration of Capital Impairment.*—A total of \$1,239,788,671 is included in the bill for restoration of capital impairment of the Corporation through June 30, 1956. A breakdown of this amount is as follows:



|  |               |
|--|---------------|
| Price support program:                         | (Thousands)   |
| Basic commodities.....                         | \$305, 986    |
| Mandatory nonbasic commodities.....            | 457, 340      |
| Other nonbasic commodities.....                | 211, 607      |
| Total price support program.....               | \$974, 933    |
| Commodity Export Program.....                  | 69, 576       |
| Interest, administrative, and other (net)..... | 195, 280      |
| Total realized losses.....                     | \$1, 239, 789 |

It is interesting to note that only 25 percent of this amount represents price support losses on basic commodities. Most of the balance is involved in nonbasics.

A further breakdown of this amount is as follows:

|  |             |
|--|-------------|
|  | (Thousands) |
| Loss on commodity transactions.....      | \$611, 854  |
| Storage and handling charges.....        | 281, 173    |
| Transportation and related costs.....    | 151, 801    |
| Administrative and related expenses..... | 36, 585     |
| Interest expense.....                    | 158, 376    |
| Total realized losses.....               | 1, 239, 789 |

These figures show that only half of the amount is due to commodity losses. The remaining half is involved in storage and handling, transportation, administrative and interest costs.

If competitive sales had been the policy for the last four years, a large portion of the interest, storage and handling charges of over \$1 billion could have been saved. Further, had the United States stayed in world market on a competitive basis during this period, the rapid accumulation of CCC stocks could have been averted and the large reduction in acreage allotments could have been avoided. Also, it is entirely possible that the need for the Soil Bank Program would not have developed. This would have saved several billions of dollars additional to the taxpayer.

At the continued urging of this Committee, and after the establishment of an effective sales organization for the Corporation in the 1956 Appropriation Act, the Department has been selling United States agricultural commodities in foreign trade for dollars on a satisfactory basis. Since the Department started to sell commodities competitively, dollars sales have totaled \$1.8 billion. Last year approximately seven million bales of cotton were sold, and the stocks of many other commodities were reduced substantially.

In connection with the sales of cotton, large sums were rebated to the purchasers based on Government reclassing of the cotton after it had been sold. Information furnished the Committee indicates that some \$46,000,000 was paid out in this manner, better than half of which went to six of the largest international cotton traders. This situation results either from poor initial classing or substantial deterioration during the period the cotton was held off world markets. It is hard for the Committee to understand, however, how either of these factors could develop to such an extent. There appears to be no evidence of collusion, though in some cases the same persons performed both classing operations—when it was taken over by Commodity Credit Corporation and when it was sold to the private purchaser. It would appear that the same judgment would be applied on both occasions. Further, reports reaching the Committee indicate that much of this cotton was sold in world trade at the original or a higher grade comparatively, even though these large rebates were

paid presumably for deterioration of the cotton while in storage. In view of these findings, the Committee recommends that Department officials adopt a regulation which would deny reclassification unless there was a certification from the purchaser that the cotton had been or would be offered in world trade at the same or equivalent grade and class as that at which it was reclassified by the Commodity Credit Corporation. In the absence of such action, the cotton should be sampled on request in advance of sale without reclassing rights.

*Administrative expenses.*—The Committee recommends \$34,398,000 for the administrative expenses of the Commodity Credit Corporation during the coming fiscal year. This is a reduction of \$4,002,000 in the budget estimate. An increase of \$1,398,000 over 1957 is recommended to meet the mandatory retirement fund contributions payable under this item.

#### REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION

The bill for 1958 includes the sum of \$843,076,238 for reimbursements to the Commodity Credit Corporation for nonprice support activities financed during fiscal year 1956 from Corporation funds under special legislative acts. The amount recommended includes \$18,581,660 for reimbursements for animal disease eradication activities; \$80,449 for reimbursements for grading and classing activities of the Agriculture Marketing Service; and \$824,414,129 for special commodity disposal programs, such as the International Wheat Agreement and Public Law 480.

The reimbursement for animal disease eradication includes \$1,853,450 for eradication of vesicular exanthema of swine, and \$16,728,210 for an accelerated program of brucellosis eradication under Title II of the Agricultural Act of 1954.

The reimbursement of \$824,414,129 for the special commodity disposal programs includes \$92,930,611 for the International Wheat Agreement, \$94,483,518 for emergency famine relief to friendly peoples under Title II of Public Law 480, and \$637,000,000 for the sale of surplus agricultural commodities for foreign currencies under Title I of Public Law 480.

#### FARM CREDIT ADMINISTRATION

The Farm Credit Administration provides supervision, examination, facilities and services to the coordinated system of farm credit banks and corporations which make loans to farmers and their cooperatives. It was originally created in 1933 and was transferred to the Department of Agriculture in 1939. It was re-established as an independent agency by the Farm Credit Act of 1953.

The bill includes administrative expense limitations of \$5,575,000 for the Farm Credit Administration and the Federal intermediate credit banks for the fiscal year 1958. This is a decrease of \$781,000 in the administrative expense limitations authorized in 1957. The amounts recommended include \$2,200,000 for the parent organization, the Farm Credit Administration, and \$3,375,000 for the Federal intermediate credit banks. During the past year the production credit



corporations were consolidated with the Federal intermediate credit banks, thereby eliminating a separate administrative expense limitation for those institutions.

The Federal Farm Mortgage Corporation has been inactive since July 1, 1957 when its loan authority was repealed. As of June 30, 1955, all assets except reserve mineral interests were liquidated through bulk sale to the Federal Land Banks. All government capital has been repaid except \$10,000 which will be returned in 1958. Accordingly, in lieu of an administrative expense limitation, the bill for 1958 includes language which will enable the Federal Farm Mortgage Corporation to continue to administer its reserve mineral interests.

#### GENERAL PROVISIONS

The general provisions contained in the accompanying bill for fiscal year 1958 are virtually the same as those included in previous appropriation bills. The authority formerly contained in Section 503 concerning options to purchase land is no longer necessary. The new language appearing in the bill as Section 503 provides authority to purchase uniforms formerly carried in separate paragraphs of the bill. Language previously carried as Section 508 has been dropped, since that authority is now contained in basic legislation.

#### LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in any appropriation act are included in the bill:

On page 10, line 8, in connection with the Foreign Agricultural Service:

*Provided further, That provisions of the Act of August 1, 1956 (70 Stat. 890-892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.*

On page 13, line 20, in connection with Farmers Home Administration loans:

*except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that Act, as amended:*

On page 24, line 21, in connection with the Federal Farm Mortgage Corporation:

*The Federal Farm Mortgage Corporation is authorized to make such expenditures, within available funds and in accordance with law, as may be necessary to liquidate its assets: Provided, That funds realized from the liquidation of assets which are determined by the Board of Directors to be in excess of the requirements for expenses of liquidation shall be applied first to the retirement of the remaining Government investment in the capital stock of the Corporation and then to dividends which shall be paid into the general fund of the Treasury.*



PERMANENT AUTHORIZATIONS

|   | Authorizations, 1957 | Estimates, 1958 | Increase or decrease |
|---|----------------------|-----------------|----------------------|
| Agricultural Marketing Service:                                       |                      |                 |                      |
| Removal of surplus agricultural commodities <sup>1</sup> -----        | \$199, 976, 003      | \$223, 500, 000 | +\$23, 523, 997      |
| Perishable Agricultural Commodities Act Fund <sup>2</sup> -----       | 546, 000             | 675, 000        | + 129, 000           |
| Total Agricultural Marketing Service-----                             | 200, 522, 003        | 224, 175, 000   | + 23, 652, 997       |
| Commodity Stabilization Service: National Wool Act <sup>2</sup> ----- | 2, 020, 975          | 35, 000, 000    | + 32, 979, 025       |
| Total, Permanent appropriations-----                                  | 202, 542, 978        | 259, 175, 000   | + 56, 632, 022       |

<sup>1</sup> General Fund accounts.

<sup>2</sup> Special Fund accounts.

LOAN AUTHORIZATIONS

|  | Authorizations, 1957 | Estimates, 1958 | Recommended in bill | Bill compared with— |                 |
|--|----------------------|-----------------|---------------------|---------------------|-----------------|
|  |                      |                 |                     | 1957 authorization  | 1958 estimate   |
| Rural Electrification Administration:            |                      |                 |                     |                     |                 |
| Electrification-----                             | 1 \$414, 000, 000    | \$179, 000, 000 | \$179, 000, 000     | —\$235, 000, 000    | -----           |
| Telephone-----                                   | 100, 000, 000        | 60, 000, 000    | 60, 000, 000        | —40, 000, 000       | -----           |
| Total Rural Electrification Administration-----  | 514, 000, 000        | 239, 000, 000   | 239, 000, 000       | —275, 000, 000      | -----           |
| Farmers' Home Administration:                    |                      |                 |                     |                     |                 |
| Farm ownership and farm housing-----             | 2 474, 000, 000      | 50, 000, 000    | 24, 000, 000        | —450, 000, 000      | —\$26, 000, 000 |
| Farm operation (production and subsistence)----- | 180, 000, 000        | 180, 000, 000   | 180, 000, 000       | -----               | -----           |
| Soil and water conservation-----                 | 5, 500, 000          | 5, 500, 000     | 5, 500, 000         | -----               | -----           |
| Total Farmers' Home Administration-----          | 659, 500, 000        | 235, 500, 000   | 209, 500, 000       | —450, 000, 000      | —26, 000, 000   |
| Total loan authorization-----                    | 1, 173, 500, 000     | 474, 500, 000   | 448, 500, 000       | —725, 000, 000      | —26, 000, 000   |

1 Includes \$200,000,000 additional authorized in Second Urgent Deficiency Appropriation Act, 1957.

2 Includes \$450,000,000 authorized in Public Law 1020 for use during fiscal years 1957 to 1961, inclusive.

**COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1957 AND ESTIMATES AND AMOUNTS RECOMMENDED  
IN BILL FOR 1958**

**REGULAR ACTIVITIES (TITLE I)**

| Agency and item  | Appropriation, 1957 | Estimates, 1958 | Recommended in bill (including re-tirement fund contributions) | Bill compared with— |                 |
|--|---------------------|-----------------|--|---------------------|-----------------|
|  |                     |                 |  | 1957 appropriation  | 1958 estimates  |
| <b>Agricultural Research Service:</b>                    |                     |                 |  |                     |                 |
| Salaries and expenses:                                   |                     |                 |  |                     |                 |
| Research.....  | \$53, 786, 000      | \$60, 875, 000  | \$48, 994, 890   | —\$4, 791, 110      | —\$11, 880, 110 |
| Plant and animal disease and pest control..              | 28, 794, 000        | 26, 952, 000    | 25, 682, 000   | —3, 112, 000        | —1, 270, 000    |
| Meat inspection.....                                     | 15, 650, 000        | 18, 718, 000    | 16, 586, 000   | +936, 000           | —2, 132, 000    |
| Total, salaries and expenses.....                        | 98, 230, 000        | 106, 545, 000   | 91, 262, 890   | —6, 967, 110        | —15, 282, 110   |
| <b>State experiment stations:</b>                        |                     |                 |  |                     |                 |
| Payments to States, Hawaii, Alaska, and Puerto Rico..... | 29, 503, 708        | 34, 003, 708    | 29, 503, 708   | -----               | —4, 500, 000    |
| Penalty mail.....  | 1 250, 000          | 250, 000        | 250, 000   | -----               | -----           |
| Total, State experiment stations.....                    | 29, 753, 708        | 34, 253, 708    | 29, 753, 708   | -----               | —4, 500, 000    |
| Animal disease laboratory facilities.....                | 16, 250, 000        | 0               | -----  | —16, 250, 000       | -----           |
| Total, Agricultural Research Service.....                | 144, 233, 708       | 140, 798, 708   | 121, 016, 598  | —23, 217, 110       | —19, 782, 110   |



Extension Service:

Payments to States, Hawaii, Alaska, and  
Puerto Rico-----

Retirement costs for extension agents-----

Penalty mail-----

Federal Extension Service-----

Total, Extension Service-----

Farmer Cooperative Service-----

Agricultural Marketing Service:

Marketing Research and Service:

Marketing research and agriculture esti-  
mates-----

Marketing services-----

Total, Marketing research and service----

Payments to States, territories, and possessions--

School-lunch program-----

Total, Agricultural Marketing Service-----

Foreign Agricultural Service-----

Commodity Exchange Authority-----

|                |               |               |               |               |
|----------------|---------------|---------------|---------------|---------------|
| 1 49, 101, 000 | 54, 365, 000  | 49, 101, 000  | -----         | - 5, 264, 000 |
| 0              | 5, 260, 000   | 5, 260, 000   | + 5, 260, 000 | -----         |
| 1 2, 164, 000  | 2, 164, 000   | 2, 164, 000   | -----         | -----         |
| 2, 000, 000    | 2, 341, 000   | 2, 096, 540   | + 96, 540     | - 244, 460    |
| 53, 265, 000   | 64, 130, 000  | 58, 621, 540  | + 5, 356, 540 | - 5, 508, 460 |
| 550, 000       | 578, 000      | 578, 000      | + 28, 000     | -----         |
| 13, 437, 000   | 15, 482, 500  | 14, 041, 700  | + 604, 700    | - 1, 440, 800 |
| 13, 020, 000   | 15, 186, 000  | 14, 274, 900  | + 1, 254, 900 | - 911, 100    |
| 26, 457, 000   | 30, 668, 500  | 28, 316, 600  | + 1, 859, 600 | - 2, 351, 900 |
| 1, 160, 000    | 1, 260, 000   | 1, 160, 000   | -----         | - 100, 000    |
| 100, 000, 000  | 100, 000, 000 | 100, 000, 000 | -----         | -----         |
| 127, 617, 000  | 131, 928, 500 | 129, 476, 600 | + 1, 859, 600 | - 2, 451, 900 |
| 3, 750, 000    | 4, 383, 500   | 3, 902, 300   | + 152, 300    | - 481, 200    |
| 787, 400       | 832, 000      | 832, 000      | + 44, 600     | -----         |

<sup>1</sup> Third Supplemental Appropriation bill, 1957, now pending includes \$250,000 for penalty mail costs of State experiment stations and additional \$514,000 for penalty mail for State extension services, to be derived by transfer from "Payments to States, etc.," Extension Service.

*Comparative statement of appropriations for 1957 and estimates and amounts recommended in bill for 1958—Continued*

**REGULAR ACTIVITIES (TITLE I)—Continued**

| Agency and item   | Appropriation, 1957 | Estimates, 1958 | Recommended in bill (including re-<br>tirement fund con-<br>tributions) | Bill compared with— |                 |
|---|---------------------|-----------------|---|---------------------|-----------------|
|   |                     |                 |   | 1957 appropriation  | 1958 estimates  |
| Commodity Stabilization Service:                                    |                     |                 |   |                     |                 |
| Acreage allotments and marketing quotas-----                        | \$40, 963, 000      | \$43, 000, 000  | \$40, 715, 000  | — \$248, 000        | — \$2, 285, 000 |
| Sugar act program-----  | 67, 600, 000        | 72, 200, 000    | 67, 662, 500  | + 62, 500           | — 4, 537, 500   |
| Total, Commodity Stabilization-----                                 | 108, 563, 000       | 115, 200, 000   | 108, 377, 500   | — 185, 500          | — 6, 822, 500   |
| Federal crop insurance-----   | 6, 210, 000         | 7, 300, 000     | 6, 376, 700   | + 166, 700          | — 923, 300      |
| Rural Electrification Administration, salaries and<br>expenses----- | 8, 600, 000         | 9, 629, 000     | 9, 030, 950   | + 430, 950          | — 598, 050      |
| Farmers Home Administration, salaries and expenses--                | 27, 750, 000        | 30, 000, 000    | 29, 089, 500  | + 1, 339, 500       | — 910, 500      |
| Office of General Counsel-----                                      | 2, 785, 000         | 3, 172, 000     | 2, 943, 000   | + 158, 000          | — 229, 000      |
| Office of Secretary-----  | 2, 500, 000         | 2, 726, 000     | 2, 640, 660   | + 140, 660          | — 85, 340       |
| Office of Information-----  | 1, 325, 000         | 1, 465, 000     | 1, 367, 500   | + 42, 500           | — 97, 500       |
| Library-----  | 735, 000            | 824, 000        | 772, 000  | + 37, 000           | — 52, 000       |
| Soil and water conservation:  |                     |                 |   |                     |                 |
| Soil Conservation Service:  |                     |                 |   |                     |                 |
| Conservation operations-----  | 67, 500, 000        | 73, 545, 000    |   |                     |                 |

|  |                               |                  |                  |                |                |
|--|-------------------------------|------------------|------------------|----------------|----------------|
| Watershed protection.....                        | 17, 500, 000                  | 25, 500, 000     |                  |                |                |
| Flood prevention.....                            | 12, 000, 000                  | 13, 220, 000     |                  |                |                |
| Water conservation and utilization projects..... | 232, 000                      | 350, 000         |                  |                |                |
| Total, Soil Conservation Service.....            | 97, 232, 000                  | 112, 615, 000    |                  |                |                |
| Great plains program.....                        |                               | 20, 000, 000     |                  |                |                |
| Agricultural conservation program.....           | 227, 500, 000                 | 237, 000, 000    |                  |                |                |
| Conservation reserve, soil bank.....             | <sup>2</sup> (450, 000, 000)  | 298, 826, 660    |                  |                |                |
| Total, soil and water conservation:              |                               |                  |                  |                |                |
| On appropriation basis.....                      | 324, 732, 000                 | 668, 441, 660    | 535, 000, 000    | +210, 268, 000 | -133, 441, 660 |
| On comparative basis.....                        | 774, 732, 000                 | 668, 441, 660    | 535, 000, 000    | -239, 732, 000 | -133, 441, 660 |
| Acreage reserve, soil bank:                      |                               |                  |                  |                |                |
| On appropriation basis.....                      |                               | 701, 173, 340    | 600, 000, 000    | +600, 000, 000 | -101, 173, 340 |
| On comparative basis.....                        | <sup>2</sup> 750, 000, 000    | 701, 173, 340    | 600, 000, 000    | -150, 000, 000 | -101, 173, 340 |
| Total, regular activities:                       |                               |                  |                  |                |                |
| On appropriation basis.....                      | 813, 403, 108                 | 1, 882, 581, 708 | 1, 610, 024, 848 | +796, 621, 740 | -272, 556, 860 |
| On comparative basis.....                        | <sup>3</sup> 2, 013, 403, 108 | 1, 882, 581, 708 | 1, 610, 024, 848 | -403, 378, 260 | -272, 556, 860 |

<sup>2</sup> 1st year's program authorized to be financed from Commodity Credit Corporation funds in lieu of direct appropriation, with subsequent reimbursement to CCC.

<sup>3</sup> Includes authorized spending from CCC for 1957 soil bank.



## Comparative statement of appropriations for 1957 and estimates and amounts recommended in bill for 1958—Continued

## CORPORATIONS (TITLE II)

| Agency and item                        | Appropriation, 1957         | Estimates, 1958  | Recommended in bill (including retirement fund contributions) | Bill compared with— |                  |
|--|-----------------------------|------------------|---|---------------------|------------------|
|  |                             |                  |   | 1957 appropriation  | 1958 estimates   |
| Federal Crop Insurance Corp.:          |                             |                  |   |                     |                  |
| Subscription to capital stock.....     | \$13, 000, 000              | 0                | -----   | -\$13, 000, 000     | -----            |
| Administrative expense limitation..... | (2, 000, 000)               | (\$2, 000, 000)  | (\$2, 000, 000)   | -----               | -----            |
| Commodity Credit Corp.:                |                             |                  |   |                     |                  |
| Restoration of capital impairment..... | 929, 287, 178               | 1, 239, 788, 671 | 1, 239, 788, 671  | +310, 501, 493      | -----            |
| Administrative expense limitation..... | <sup>4</sup> (33, 000, 000) | (38, 400, 000)   | (34, 398, 000)  | (+1, 398, 000)      | (-\$4, 002, 000) |
| Total, corporations.....               | 942, 287, 178               | 1, 239, 788, 671 | 1, 239, 788, 671  | +297, 501, 493      | -----            |

## SPECIAL ACTIVITIES (TITLE III)

|   |                |                |                |                |       |
|---|----------------|----------------|----------------|----------------|-------|
| Reimbursements to Commodity Credit Corp.: |                |                |                |                |       |
| Animal disease eradication.....           | \$13, 060, 954 | \$18, 581, 660 | \$18, 581, 660 | +\$5, 520, 706 | ----- |
| Grading and classing.....                 | 367, 740       | 80, 449        | 80, 449        | -287, 291      | ----- |

|                                  |               |               |               |                 |       |
|----------------------------------|---------------|---------------|---------------|-----------------|-------|
| Special commodity disposal.....  | 257, 420, 988 | 824, 414, 129 | 824, 414, 129 | + 566, 993, 141 | ----- |
| Total reimbursements to CCC..... | 270, 849, 682 | 843, 076, 238 | 843, 076, 238 | + 572, 226, 556 | ----- |
|                                  |               |               |               |                 | ----- |

RELATED AGENCIES (TITLE IV)

|   |                  |                  |                  |                    |                   |
|---|------------------|------------------|------------------|--------------------|-------------------|
| Farm Credit Administration.....                           | (\$2, 230, 000)  | (\$2, 200, 000)  | (\$2, 200, 000)  | (- \$30, 000)      | -----             |
| Federal Farm Mortgage Corp.....                           | (550, 000)       | ( <sup>5</sup> ) | ( <sup>5</sup> ) | (- 550, 000)       | -----             |
| Federal intermediate credit banks.....                    | (1, 932, 000)    | (3, 375, 000)    | (3, 375, 000)    | (+ 1, 443, 000)    | -----             |
| Production credit corps.....                              | (1, 644, 000)    | ( <sup>6</sup> ) | ( <sup>6</sup> ) | (- 1, 644, 000)    | -----             |
| Total, Farm Credit Administration.....                    | (6, 356, 000)    | (5, 575, 000)    | (5, 575, 000)    | (- 781, 000)       | -----             |
| Commission on increased use of Agricultural Products..... | 150, 000         | -----            | -----            | - 150, 000         | -----             |
| Total, titles I through IV:--                             |                  |                  |                  |                    |                   |
| On appropriation basis.....                               | 2, 026, 689, 968 | 3, 965, 446, 617 | 3, 692, 889, 757 | + 1, 666, 199, 789 | - \$272, 556, 860 |
| On comparative basis.....                                 | 3, 226, 689, 968 | 3, 965, 446, 617 | 3, 692, 889, 757 | + 466, 199, 789    | - 272, 556, 860   |

<sup>3</sup> Includes authorized spending from CCC for 1957 soil bank.

<sup>4</sup> Third supplemental appropriation bill now pending includes additional \$2,000,000 authorization.

<sup>5</sup> Indefinite authorization proposed.

<sup>6</sup> Consolidated with "Administrative expenses, Federal intermediate credit banks".









Union Calendar No. 143

85TH CONGRESS  
1ST SESSION

**H. R. 7441**

[Report No. 438]

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IN THE HOUSE OF REPRESENTATIVES

MAY 10, 1957

Mr. WHITTEN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## **A BILL**

Making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

- 1      *Be it enacted by the Senate and House of Representa-*  
2      *tives of the United States of America in Congress assembled,*  
3      That the following sums are appropriated, out of any money  
4      in the Treasury not otherwise appropriated, for the Depart-  
5      ment of Agriculture and Farm Credit Administration for  
6      the fiscal year ending June 30, 1958, namely:



## DEPARTMENT OF AGRICULTURE

## TITLE I—REGULAR ACTIVITIES

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$10,000, except for five buildings to be constructed or improved at a cost not to exceed

1 \$20,000 each, and the cost of altering any one building  
2 during the fiscal year shall not exceed \$3,750 or 3 per  
3 centum of the cost of the building, whichever is greater:

4       Research: For research and demonstrations on the  
5 production and utilization of agricultural products, and re-  
6 lated research and services, including administration of pay-  
7 ments to State agricultural experiment stations; \$48,994,-  
8 890: *Provided*, That not to exceed \$25,000 shall be avail-  
9 able for alterations of buildings, without regard to limita-  
10 tions prescribed herein;

11       Plant and animal disease and pest control: For opera-  
12 tions and measures to control and eradicate pests and plant  
13 and animal diseases and for carrying out assigned inspection,  
14 quarantine and regulatory activities, as authorized by law;  
15 \$25,682,000, of which \$1,000,000 shall be apportioned for  
16 use pursuant to section 3679 of the Revised Statutes, as  
17 amended, for the control of outbreaks of insects and plant  
18 diseases under the joint resolution approved May 9, 1938  
19 (7 U. S. C. 148-148e), and the Act of August 13, 1954  
20 (7 U. S. C. 148), to the extent necessary to meet emergency  
21 conditions: *Provided*, That no part of this appropriation shall  
22 be used to pay the cost or value of trees, farm animals, farm  
23 crops, or other property injured or destroyed as a result of

1 plant insect and disease control activities except potatoes and  
2 tomatoes as authorized under the Golden Nematode Act:  
3 *Provided further*, That, in the discretion of the Secretary, no  
4 part of this appropriation shall be expended for the control of  
5 sweetpotato weevil in any State until such State has provided  
6 cooperation necessary to accomplish this purpose, or for  
7 barberry eradication until a sum or sums at least equal to  
8 such expenditures shall have been made available by States,  
9 counties, or local authorities, or by individuals or organiza-  
10 tions for the accomplishment of this purpose, or with respect  
11 to the golden nematode except as prescribed in section 4 of  
12 the Golden Nematode Act;

13 Meat inspection: For carrying out the provisions of laws  
14 relating to Federal inspection of meat and meat-food products  
15 and the applicable provisions of the laws relating to process  
16 or renovated butter; \$16,586,000.

17 STATE EXPERIMENT STATIONS

18 Payments to States, Hawaii, Alaska, and Puerto Rico:  
19 For payments to agricultural experiment stations to carry  
20 into effect the provisions of the Hatch Act, approved March  
21 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), as  
22 amended by the Act approved August 11, 1955 (69 Stat.  
23 671), including administration by the United States De-  
24 partment of Agriculture, \$29,003,708; and payments  
25 authorized under section 204 (b) of the Agricultural



1 Marketing Act, the Act approved August 14, 1946 (7  
2 U. S. C. 1623), \$500,000; in all, \$29,503,708.

3 Penalty mail: For penalty mail costs of agricultural  
4 experiment stations, under section 6 of the Hatch Act of  
5 1887, as amended, \$250,000.

6 DISEASES OF ANIMALS AND POULTRY

7 Eradication activities: For expenses necessary in the  
8 arrest and eradication of foot-and-mouth disease, rinderpest,  
9 contagious pleuro-pneumonia, or other contagious or infec-  
10 tious diseases of animals, or European fowl pest and similar  
11 diseases in poultry, and for foot-and-mouth disease and  
12 rinderpest programs undertaken pursuant to the provisions  
13 of the Act of February 28, 1947, and the Act of May 29,  
14 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111-122),  
15 including expenses in accordance with section 2 of said  
16 Act of February 28, 1947, the Secretary may transfer from  
17 other appropriations or funds available to the bureaus, cor-  
18 porations, or agencies of the Department such sums as he  
19 may deem necessary, but not to exceed \$1,270,000 for  
20 eradication of vesicular exanthema of swine, to be avail-  
21 able only in an emergency which threatens the livestock  
22 or poultry industry of the country, and any unexpended  
23 balances of funds transferred under this head in the next  
24 preceding fiscal year shall be merged with such transferred  
25 amounts: *Provided*, That this appropriation shall be subject

1 to applicable provisions contained in the item "Salaries and  
2 expenses, Agricultural Research Service".

### 3 EXTENSION SERVICE

#### 4 COOPERATIVE EXTENSION WORK, PAYMENTS AND

#### 5 EXPENSES

6 Payments to States, Hawaii, Alaska, and Puerto Rico:  
7 For payments for cooperative agricultural extension work  
8 under the Smith-Lever Act, as amended by the Act of June  
9 26, 1953 (7 U. S. C. 341-348), and the Act of August 11,  
10 1955 (69 Stat. 683-4), \$47,606,000; and payments and  
11 contracts for such work under section 204 (b)-205 of the  
12 Agricultural Marketing Act of 1946 (7 U. S. C. 1623-  
13 1624), \$1,495,000; in all, \$49,101,000: *Provided*, That  
14 funds hereby appropriated pursuant to section 3 (c) of the  
15 Act of June 26, 1953, shall not be paid to any State,  
16 Hawaii, Alaska, or Puerto Rico prior to availability of an  
17 equal sum from non-Federal sources for expenditure during  
18 the current fiscal year.

19 Retirement costs for extension agents: For cost of em-  
20 ployer's share of Federal retirement for cooperative extension  
21 employees, \$5,260,000.

22 Penalty mail: For costs of penalty mail for cooperative  
23 extension agents and State extension directors, \$2,164,000.

24 Federal Extension Service: For administration of the

1 Smith-Lever Act, as amended by the Act of June 26,  
2 1953 (7 U. S. C. 341-348), and the Act of August 11,  
3 1955 (69 Stat. 683-4), and extension aspects of the Agri-  
4 cultural Marketing Act of 1946 (7 U. S. C. 1621-1627),  
5 and to coordinate and provide program leadership for the  
6 extension work of the Department and the several States,  
7 Territories, and insular possessions, \$2,096,540.

8 FARMER COOPERATIVE SERVICE

9 For necessary expenses to carry out the Act of July 2,  
10 1926 (7 U. S. C. 451-457), \$578,000.

11 AGRICULTURAL MARKETING SERVICE

12 MARKETING RESEARCH AND SERVICE

13 For expenses necessary to carry on research and service  
14 to improve and develop marketing and distribution relating  
15 to agriculture as authorized by the Agricultural Marketing  
16 Act of 1946 (7 U. S. C. 1621-1627) and other laws,  
17 including the administration of marketing regulatory acts  
18 connected therewith: *Provided*, That appropriations here-  
19 under shall be available pursuant to 5 U. S. C. 565a for the  
20 construction, alteration, and repair of buildings and im-  
21 provements, but unless otherwise provided, the cost of erect-  
22 ing any one building shall not exceed \$10,000, except for  
23 two buildings to be constructed or improved at a cost not  
24 to exceed \$20,000 each, and the cost of altering any one



1 building during the fiscal year shall not exceed \$3,750  
2 or 3 per centum of the cost of the building, whichever is  
3 greater:

4     Marketing research and agricultural estimates: For re-  
5 search and development relating to agricultural marketing  
6 and distribution, for analyses relating to farm prices, income  
7 and population, and demand for farm products, for crop  
8 and livestock estimates, and for acquisition of land,  
9 \$14,041,700: *Provided*, That not less than \$350,000  
10 of the funds contained in this appropriation shall be  
11 available to continue to gather statistics and conduct a  
12 special study on the price spread between the farmer and the  
13 consumer: *Provided further*, That no part of the funds herein  
14 appropriated shall be available for any expense incident to  
15 ascertaining, collating, or publishing a report stating the  
16 intention of farmers as to the acreage to be planted in cotton  
17 or for estimates of apple production for other than the com-  
18 mercial crop;

19     Marketing services: For services relating to agricultural  
20 marketing and distribution, for carrying out regulatory acts  
21 connected therewith, and for administration and coordination  
22 of payments to States, \$14,274,900, including not to  
23 exceed \$25,000 for employment at rates not to exceed \$50  
24 per diem, except for employment in rate cases at not to ex-  
25 ceed \$100 per diem pursuant to the second sentence of section

1 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as  
 2 amended by section 15 of the Act of August 2, 1946 (5  
 3 U. S. C. 55a), in carrying out section 201 (a) to 201 (d),  
 4 inclusive, of title II of the Agricultural Adjustment Act of  
 5 1938 (7 U. S. C. 1291) and section 203 (j) of the Agri-  
 6 cultural Marketing Act of 1946.

#### 7 PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

8 For payments to departments of agriculture, bureaus  
 9 and departments of markets, and similar agencies for mar-  
 10 keting activities under section 204 (b) of the Agricultural  
 11 Marketing Act of 1946 (7 U. S. C. 1623 (b)),  
 12 \$1,160,000.

#### 13 SCHOOL LUNCH PROGRAM

14 For necessary expenses to carry out the provisions of  
 15 the National School Lunch Act (42 U. S. C. 1751-1760),  
 16 \$100,000,000: *Provided*, That no part of this appropriation  
 17 shall be used for nonfood assistance under section 5 of said  
 18 Act.

#### 19 FOREIGN AGRICULTURAL SERVICE

20 For necessary expenses for the Foreign Agricultural  
 21 Service, including carrying out title VI of the Agricultural  
 22 Act of 1954 (68 Stat. 908), and for enabling the Secretary  
 23 to coordinate and integrate activities of the Department in  
 24 connection with foreign agricultural work, including not to

1 exceed \$25,000 for representation allowances, and for expenses  
2 pursuant to section 8 of the Act approved August 3, 1956  
3 (70 Stat. 1034), \$3,902,300: *Provided*, That not less than  
4 \$400,000 of the funds contained in this appropriation shall  
5 be available to obtain statistics and related facts on foreign  
6 production and full and complete information on methods  
7 used by other countries to move farm commodities in world  
8 trade on a competitive basis: *Provided further*, That pro-  
9 visions of the Act of August 1, 1956 (70 Stat. 890-892),  
10 and provisions of a similar nature in appropriation acts of  
11 the Department of State for the current and subsequent fiscal  
12 years which facilitate the work of the Foreign Service shall  
13 be applicable to funds available to the Foreign Agricultural  
14 Service.

15 COMMODITY EXCHANGE AUTHORITY

16 For necessary expenses to carry into effect the pro-  
17 visions of the Commodity Exchange Act, as amended (7  
18 U. S. C. 1-17a), \$832,000.

19 COMMODITY STABILIZATION SERVICE

20 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

21 For necessary expenses to formulate and carry out  
22 acreage allotment and marketing quota programs pursuant  
23 to provisions of title III of the Agricultural Adjustment Act  
24 of 1938, as amended (7 U. S. C. 1301-1393), \$40,715,-  
25 000, of which not more than \$6,380,100 shall be transferred



1 to the appropriation account "Administrative expenses, sec-  
2 tion 392, Agricultural Adjustment Act of 1938".

3 SUGAR ACT PROGRAM

4 For necessary expenses to carry into effect the pro-  
5 visions of the Sugar Act of 1948 (7 U. S. C. 1101-1160),  
6 \$67,662,500, to remain available until June 30 of the next  
7 succeeding fiscal year: *Provided*, That expenditures (includ-  
8 ing transfers) from this appropriation for other than pay-  
9 ments to sugar producers shall not exceed \$2,124,500.

10 FEDERAL CROP INSURANCE CORPORATION

11 For operating and administrative expenses, \$6,376,700.

12 RURAL ELECTRIFICATION ADMINISTRATION

13 To carry into effect the provisions of the Rural Electrifi-  
14 cation Act of 1936, as amended (7 U. S. C. 901-924), as  
15 follows:

16 LOAN AUTHORIZATIONS

17 For loans in accordance with said Act, and for carry-  
18 ing out the provisions of section 7 thereof, to be borrowed  
19 from the Secretary of the Treasury in accordance with the  
20 provisions of section 3 (a) of said Act as follows: Rural  
21 electrification program, \$179,000,000, of which not to  
22 exceed \$20,000,000 shall be placed in reserve to be bor-  
23 rowed under the same terms and conditions to the extent  
24 that such amount is required during the fiscal year 1958  
25 under the then existing conditions for the expeditious and

1 orderly development of the rural electrification program;  
2 and rural telephone program, \$60,000,000, of which not to  
3 exceed \$10,000,000 shall be placed in reserve to be bor-  
4 rowed under the same terms and conditions to the extent  
5 that such amount is required during the fiscal year 1958  
6 under the then existing conditions for the expeditious and  
7 orderly development of the rural telephone program.

#### 8 SALARIES AND EXPENSES

9 For administrative expenses, including not to to exceed  
10 \$500 for financial and credit reports, and not to exceed  
11 \$150,000 for employment pursuant to the second sentence  
12 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.  
13 574), as amended by section 15 of the Act of August 2,  
14 1946 (5 U. S. C. 55a), \$9,030,950.

#### 15 FARMERS' HOME ADMINISTRATION

16 To carry into effect the provisions of titles I, II, and  
17 the related provisions of title IV of the Bankhead-Jones  
18 Farm Tenant Act, as amended (7 U. S. C. 1000-1031);  
19 the Farmers' Home Administration Act of 1946 (7 U. S. C.  
20 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.  
21 Code 535; 60 Stat. 1062-1080); the Act of July 30,  
22 1946 (40 U. S. C. 436-439); the Act of August 28,  
23 1937, as amended (16 U. S. C. 590r-590x—3), for the  
24 development of facilities for water storage and utilization  
25 in the arid and semiarid areas of the United States; the

1 provisions of title V of the Housing Act of 1949, as amended  
2 (42 U. S. C. 1471-1483), relating to financial assistance  
3 for farm housing; the Rural Rehabilitation Corporation  
4 Trust Liquidation Act, approved May 3, 1950 (40 U. S. C.  
5 440-444) ; the items "Loans to farmers, 1948 flood damage"  
6 in the Act of June 25, 1948 (62 Stat. 1038), and "Loans  
7 to farmers, property damage" in the Act of May 24, 1949  
8 (63 Stat. 82) ; the collecting and servicing of credit sales  
9 and development accounts in water conservation and utiliza-  
10 tion projects (53 Stat. 685, 719), as amended and supple-  
11 mented (16 U. S. C. 590y, z—1 and z—10) ; and the Act  
12 to direct the Secretary of Agriculture to convey certain  
13 mineral interests, approved September 6, 1950 (7 U. S. C  
14 1033-1039), as follows:

#### 15 LOAN AUTHORIZATIONS

16 For loans (including payments in lieu of taxes and taxes  
17 under section 50 of the Bankhead-Jones Farm Tenant Act,  
18 as amended, and advances incident to the acquisition and  
19 preservation of security of obligations under the foregoing  
20 several authorities, except that such advances under title V  
21 of the Housing Act of 1949, as amended, shall be made from  
22 funds obtained under section 511 of that Act, as amended) :  
23 Title I and section 43 of title IV of the Bankhead-Jones  
24 Farm Tenant Act, as amended, \$24,000,000, of which not  
25 to exceed \$2,500,000 may be distributed to States and Ter-



1 ritories without regard to farm population and prevalence  
2 of tenancy, in addition to the amount otherwise distributed  
3 thereto, for loans in reclamation projects and to entrymen  
4 on unpatented public land; title II of the Bankhead-Jones  
5 Farm Tenant Act, as amended, \$180,000,000; the Act of  
6 August 28, 1937, as amended, \$5,500,000: *Provided*, That  
7 not to exceed the foregoing several amounts shall be bor-  
8 rowed in one account from the Secretary of the Treasury  
9 in accordance with the provisions set forth under this head in  
10 the Department of Agriculture Appropriation Act, 1952.

#### 11 SALARIES AND EXPENSES

12 For making, servicing, and collecting loans and insured  
13 mortgages, the servicing and collecting of loans made under  
14 prior authority, the liquidation of assets transferred to  
15 Farmers' Home Administration, and other administrative  
16 expenses, \$29,089,500, together with a transfer of not to  
17 exceed \$950,000 of the fees and administrative expense  
18 charges made available by subsections (d) and (e) of sec-  
19 tion 12 of the Bankhead-Jones Farm Tenant Act, as  
20 amended (7 U. S. C. 1005 (b) ), and section 10 (c) of  
21 the Act of August 28, 1937, as amended.

#### 22 OFFICE OF THE GENERAL COUNSEL

23 For necessary expenses, including payment of fees or  
24 dues for the use of law libraries by attorneys in the field  
25 service, \$2,943,000.

## OFFICE OF THE SECRETARY

For expenses of the Office of the Secretary of Agriculture; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; \$2,640,660.

## OFFICE OF INFORMATION

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,367,500, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U. S. C. 417) and not less than two hundred thirty thousand eight hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook

1 of Agriculture) as authorized by section 73 of the Act of  
2 January 12, 1895 (44 U. S. C. 241): *Provided*, That in  
3 the preparation of motion pictures or exhibits by the Depart-  
4 ment, not exceeding a total of \$10,000 may be used for  
5 employment pursuant to the second sentence of section 706  
6 (a) of the Organic Act of 1944 (5 U. S. C. 574), as  
7 amended by section 15 of the Act of August 2, 1946 (5  
8 U. S. C. 55a).

9 LIBRARY

10 For necessary expenses, including dues for library  
11 membership in societies or associations which issue publica-  
12 tions to members only or at a price to members lower than  
13 to subscribers who are not members, \$772,000.

14 SOIL AND WATER CONSERVATION

15 For necessary expenses to carry out soil and water con-  
16 servation programs authorized in the Soil Conservation and  
17 Domestic Allotment Act, as amended (16 U. S. C. 590a-  
18 590q), the Watershed Protection and Flood Prevention Act,  
19 as amended (16 U. S. C. 1001-1007), the Flood Control  
20 Act, as amended and supplemented (33 U. S. C. 701-709),  
21 subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-  
22 1837 and 1802-1814), the Acts of May 10, 1939 (53 Stat.  
23 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10),  
24 as amended and supplemented, June 28, 1949 (63 Stat.  
25 277), and September 6, 1950 (7 U. S. C. 1033-1039),



1 \$535,000,000, to remain available until expended: *Provided*,  
2 That not to exceed \$40,000,000 shall be available for ad-  
3 ministrative expenses in carrying out sections 7-17 of the  
4 Soil Conservation and Domestic Allotment Act and subtitles  
5 B and C of the Soil Bank Act of which not less than \$30,-  
6 000,000 may be transferred to the appropriation account  
7 "Local administration, section 388, Agricultural Adjustment  
8 Act of 1938": *Provided further*, That not to exceed  
9 \$7,200,000 shall be transferred to and merged with the ap-  
10 propriation "Salaries and expenses, Agricultural Research  
11 Service, Research" for soil and water conservation research,  
12 of which \$1,200,000 shall be available for construction of  
13 buildings and for the acquisition of necessary land therefor,  
14 and not to exceed \$20,000 for alterations of buildings,  
15 without regard to limitations prescribed in this Act: *Pro-*  
16 *vided further*, That this appropriation shall be available pur-  
17 suant to title 5, United States Code, section 565a, for the  
18 construction, alteration, and repair of buildings and improve-  
19 ments, but unless otherwise provided the cost of constructing  
20 any one building shall not exceed \$10,000 and the cost of  
21 altering any one building during the fiscal year shall not ex-  
22 ceed \$3,750 or 3 per centum of the cost of the building,  
23 whichever is greater; not to exceed \$150,000 for employ-  
24 ment pursuant to the second sentence of section 706 (a) of  
25 the Organic Act of 1944 (5 U. S. C. 574), as amended by

1 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ;  
2 and for the temporary employment of qualified local engi-  
3 neers at per diem rates to perform the technical planning  
4 work: *Provided further*, That the unexpended balances of  
5 appropriations heretofore made for “Watershed protection”,  
6 “Flood prevention”, and “Water conservation and utiliza-  
7 tion projects” shall be merged with this appropriation: *Pro-*  
8 *vided further*, That programs included hereunder shall be  
9 subject to the following additional provisions:

10       Agricultural conservation program: This appropriation  
11 shall be available for administrative expenses in connection  
12 with the formulation and administration of the 1958 pro-  
13 gram of soil building and soil and water conservation prac-  
14 tices under sections 7 to 15, 16 (a), and 17 of the Soil  
15 Conservation and Domestic Allotment Act, as amended  
16 (amounting to \$250,000,000, including administration, and  
17 no participant shall receive more than \$2,500, except where  
18 the participants from two or more farms or ranches join  
19 to carry out approved practices designed to conserve or  
20 improve the agricultural resources of the community) ; and  
21 for the purchase of seeds, fertilizers, lime, trees, or any  
22 other farming material, or any soil-terracing services and  
23 making grants thereof to agricultural producers to aid them  
24 in carrying out farming practices approved by the Secretary  
25 under programs provided for herein. Not to exceed 5 per

centum of all the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions.

Conservation reserve program: No part of this appropriation shall be used to enter into contracts with producers which together with contracts already entered into would require payments to producers (including the cost of materials and services) in excess of \$250,000,000 in any calendar year, and for purposes of applying this limitation, practice payments shall be chargeable to the first year of the contract period.

Conservation operations, Soil Conservation Service: This appropriation shall be available for preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage



1 and such special measures as may be necessary to prevent  
2 floods and the siltation of reservoirs) ; operation of conserva-  
3 tion nurseries; and classification and mapping of soils: *Pro-*  
4 *vided further*, That in the State of Missouri, where the State  
5 has established a central State agency authorized to enter  
6 into agreements with the United States or any of its agencies  
7 on policies and general programs for the saving of its soil  
8 by the extension of Federal aid to any soil conservation dis-  
9 trict in such State under sections 1 to 6 of the Soil Con-  
10 servation and Domestic Allotment Act, as amended, the  
11 agreements made by or on behalf of the United States with  
12 any such soil conservation district shall have the prior  
13 approval of such central State agency before they shall  
14 become effective as to such district.

15 Flood prevention: No part of the funds expended in  
16 accordance with the Flood Control Act, as amended and  
17 supplemented, shall be used for the purchase of lands in  
18 the Yazoo and Little Tallahatchie watersheds without speci-  
19 fic approval of the county board of supervisors of the county  
20 in which such lands are situated.

#### 21 ACREAGE RESERVE, SOIL BANK

22 For necessary expenses to carry out an acreage reserve  
23 program in accordance with the provisions of subtitles A and  
24 C of the Soil Bank Act (7 U. S. C. 1821-1824 and 1802-  
25 1814), \$600,000,000: *Provided*, That no part of this

1 appropriation shall be used to formulate and administer an  
2 acreage reserve program which would result in total compen-  
3 sation being paid to producers in excess of \$500,000,000  
4 with respect to the 1958 crops.

## 5 TITLE II—CORPORATIONS

6 The following corporations and agencies are hereby  
7 authorized to make such expenditures, within the limits of  
8 funds and borrowing authority available to each such cor-  
9 poration or agency and in accord with law, and to make  
10 such contracts and commitments without regard to fiscal  
11 year limitations as provided by section 104 of the Govern-  
12 ment Corporation Control Act, as amended, as may be nec-  
13 essary in carrying out the programs set forth in the budget  
14 for the fiscal year 1958 for such corporation or agency,  
15 except as hereinafter provided:

### 16 FEDERAL CROP INSURANCE CORPORATION

17 Federal Crop Insurance Corporation: *Provided*, That  
18 not to exceed \$2,000,000 of administrative and operating  
19 expenses may be paid from premium income.

### 20 COMMODITY CREDIT CORPORATION

#### 21 RESTORATION OF CAPITAL IMPAIRMENT

22 To restore the capital impairment of the Commodity  
23 Credit Corporation determined by the appraisal of June 30,  
24 1956, pursuant to section 1 of the Act of March 8, 1938,  
25 as amended (15 U. S. C. 713a-1), \$1,239,788,671.

## 1        LIMITATION ON ADMINISTRATIVE EXPENSES

2        Nothing in this Act shall be so construed as to prevent  
3 the Commodity Credit Corporation from carrying out  
4 any activity or any program authorized by law: *Pro-*  
5 *vided*, That not to exceed \$34,398,000 shall be avail-  
6 able for administrative expenses of the Corporation in-  
7 cluding uniforms, or allowances therefor, as authorized by  
8 the Act of September 1, 1954 (5 U. S. C. 2131), as  
9 amended: *Provided further*, That \$1,000,000 of this author-  
10 ization shall be available only to expand and strengthen the  
11 sales program of the Corporation pursuant to authority con-  
12 tained in the Corporation's charter: *Provided further*, That  
13 not less than 7 per centum of this authorization shall be  
14 placed in reserve to be apportioned pursuant to section 3679  
15 of the Revised Statutes, as amended, for use only in such  
16 amounts and at such time as may become necessary to carry  
17 out program operations: *Provided further*, That all neces-  
18 sary expenses (including legal and special services performed  
19 on a contract or fee basis, but not including other personal  
20 services) in connection with the acquisition, operation, main-  
21 tenance, improvement, or disposition of any real or personal  
22 property belonging to the Corporation or in which it has  
23 an interest, including expenses of collections of pledged col-  
24 lateral, shall be considered as nonadministrative expenses for  
25 the purposes hereof.



## TITLE III—SPECIAL ACTIVITIES

REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION  
FOR ADVANCES FOR ANIMAL DISEASE ERADICATION  
ACTIVITIES

To reimburse the Commodity Credit Corporation for authorized transfers through June 30, 1956 (including interest through June 30, 1957), as follows: (1) \$1,853,450 for sums transferred to the appropriation "Foot-and-mouth and other contagious diseases of animals and poultry", fiscal year 1956, for eradication activities, pursuant to authority contained under such head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, and (2) \$16,728,210 for sums transferred to the appropriation "Salaries and expenses, Agricultural Research Service", fiscal year 1956, for brucellosis eradication, pursuant to section 204 (e) of the Act of August 28, 1954, as amended (7 U. S. C. 397).

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR  
ADVANCES FOR GRADING AND CLASSING ACTIVITIES

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing research and service" through June 30, 1956 (including interest thereon through June 30, 1957), pursuant to the Act of August 31, 1951 (7 U. S. C. 414a), for grading tobacco

1 and classing cotton without charge to producers, as author-  
2 ized by law (7 U. S. C. 473a, 511d), \$80,449.

3 SPECIAL COMMODITY DISPOSAL PROGRAMS

4 To reimburse the Commodity Credit Corporation for  
5 authorized costs (including interest through June 30, 1957),  
6 as follows: (1) \$92,930,611 under the International Wheat  
7 Agreement Act of 1949, as amended (7 U. S. C. 1641-  
8 1642); (2) \$94,483,518 for commodities disposed of for  
9 emergency famine relief to friendly peoples pursuant to  
10 title II of the Act of July 10, 1954, as amended (7 U. S. C.  
11 1703, 1721-1724); and (3) \$637,000,000 for the sale of  
12 surplus agricultural commodities for foreign currencies pur-  
13 suant to title I of the Act of July 10, 1954, as amended (7  
14 U. S. C. 1701-1709).

15 TITLE IV—RELATED AGENCIES

16 FARM CREDIT ADMINISTRATION

17 Not to exceed \$2,200,000 (from assessments collected  
18 from farm credit agencies) shall be obligated during the  
19 current fiscal year for administrative expenses.

20 FEDERAL FARM MORTGAGE CORPORATION

21 The Federal Farm Mortgage Corporation is authorized  
22 to make such expenditures, within available funds and in  
23 accordance with law, as may be necessary to liquidate its  
24 assets: *Provided*, That funds realized from the liquidation  
25 of assets which are determined by the Board of Directors

1 to be in excess of the requirements for expenses of liquida-  
2 tion shall be applied first to the retirement of the remaining  
3 Government investment in the capital stock of the Cor-  
4 poration and then to dividends which shall be paid into  
5 the general fund of the Treasury.

#### 6 FEDERAL INTERMEDIATE CREDIT BANKS

7 Not to exceed \$3,375,000 (to be computed on an ac-  
8 crual basis) of the funds of the banks shall be available for  
9 administrative expenses, including the purchase of not to  
10 exceed six passenger motor vehicles for replacement only  
11 and services performed for the banks by other Government  
12 agencies (except services and facilities furnished and exam-  
13 inations made by the Farm Credit Administration, and  
14 services performed by any Federal Reserve bank and by  
15 the United States Treasury in connection with the financial  
16 transactions of the banks) ; and said total sum shall be exclu-  
17 sive of interest expense, legal and special services performed  
18 on a contract or fee basis, and expenses in connection with  
19 the acquisition, operation, maintenance, improvement, pro-  
20 tection, or disposition of real or personal property belonging  
21 to the banks or in which they have an interest.

#### 22 TITLE V—GENERAL PROVISIONS

23 SEC. 501. Within the unit limit of cost fixed by law,  
24 appropriations and authorizations made for the Department



1 under this Act shall be available for the purchase, in addi-  
2 tion to those specifically provided for, of not to exceed 552  
3 passenger motor vehicles for replacement only, and for the  
4 hire of such vehicles.

5 SEC. 502. Provisions of law prohibiting or restricting  
6 the employment of aliens shall not apply to employment  
7 under the appropriation for the Foreign Agricultural Service.

8 SEC. 503. Funds available to the Department of Agri-  
9 culture shall be available for uniforms or allowances therefor  
10 as authorized by the Act of September 1, 1954, as amended  
11 (5 U. S. C. 2131).

12 SEC. 504. No part of the funds appropriated by this  
13 Act shall be used for the payment of any officer or employee  
14 of the Department who, as such officer or employee, or on  
15 behalf of the Department or any division, commission, or  
16 bureau thereof, issues, or causes to be issued, any prediction,  
17 oral or written, or forecast, except as to damage threatened  
18 or caused by insects and pests, with respect to future prices of  
19 cotton or the trend of same.

20 SEC. 505. Except to provide materials required in or  
21 incident to research or experimental work where no suitable  
22 domestic product is available, no part of the funds appro-  
23 priated by this Act shall be expended in the purchase of  
24 twine manufactured from commodities or materials produced  
25 outside of the United States.

1        SEC. 506. Not less than \$1,500,000 of the appropria-  
2        tions of the Department for research and service work au-  
3        thorized by the Acts of August 14, 1946, and July 28, 1954  
4        (7 U. S. C. 427, 1621-1629), shall be available for con-  
5        tracting in accordance with said Acts.

6        SEC. 507. No part of any appropriation contained in  
7        this Act or of the funds available for expenditure by any  
8        corporation or agency included in this Act shall be used for  
9        publicity or propaganda purposes to support or defeat legis-  
10       lation pending before the Congress.

11       This Act may be cited as the "Department of Agricul-  
12       ture and Farm Credit Administration Appropriation Act,  
13       1958".

55TH CONGRESS  
1ST SESSION

H. R. 7441

[Report No. 438]

# A BILL

Making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

By Mr. WHITTEN

MAY 10, 1957

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed







# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued May 15, 1957  
For actions of May 14, 1957  
85th-1st, No. 80

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HIGHLIGHTS: House debated Agricultural appropriation bill. Rep. Cannon criticized "propaganda campaigns" for enactment of Hoover Commission recommendations.

### HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1958. Began debate on this bill, H.R. 7441. General debate on the bill was concluded. It will be read for amendments today. pp. 6113-48
2. BUDGET; ORGANIZATION. Rep. Cannon stated that "one of the most persistent and most misleading propaganda campaigns ever waged is the effort to pressure the Congress into enacting the second Hoover Commission recommendations", criticized certain budget and accounting recommendations of the Commission as being impractical, and inserted tables indicating recommendations which have been implemented in the executive branch and bills which have been passed to implement recommendations. pp. 6131-34
3. FOREIGN TRADE; SURPLUS COMMODITIES. Rep. Dixon discussed the serious situation in the domestic lead-zinc mining industry, and the importance of the barter program of this Department as an aid to the industry. pp. 6148-49
4. ELECTRIFICATION. Reps. Green and Ullman criticized the rapid tax amortization certificates granted to the Idaho Power Co. for the construction of small dams on the Snake River in preference to the Hells Canyon dam. pp. 6153, 6154-56



5. BUDGET. Rep. Dwyer defended Administration against recent attacks on the size of the budget. pp. 6153-54

#### SENATE

6. APPROPRIATIONS. The Appropriations Committee ordered reported with amendments H.R. 6700, the Commerce Department appropriation bill for 1958, and H.R. 6871, the State-Justice-Judiciary appropriation bill for 1958. p. D407

The "Daily Digest" states that the bills as reported provide a total reduction from the House-passed figures of \$40 million for the Commerce Department and \$714,500 for the State-Justice-Judiciary appropriation.

#### ITEMS IN APPENDIX

7. ELECTRIFICATION; RECLAMATION. Rep. Ullman inserted letters supporting his stand for a high Federal dam in Hells Canyon. pp. A3657-8
8. FARM PROGRAM. Rep. Knutson inserted a farmer's letter criticizing this Department as "the biggest source of racketeering and misappropriation of Federal funds of any agency in Washington." pp. A3658-9  
Rep. Cunningham inserted an editorial criticizing the Secretary for the level of wheat price supports. p. A3668  
Extension of remarks of Rep. Lesinski urging passage of his bill, H.R. 6157, to control production rather than acreage by means of marketing quotas. p. A3686
9. FOOD PRICES. Rep. Roosevelt inserted Rep. McGovern's statement to the Consumer Study Subcommittee of the House Agriculture Committee in which he urged the subcommittee "to dispel the myth that leads the urban consumer to believe that farm prices have caused high food prices." p. A3660
10. FOREIGN AID. Extension of remarks of Rep. Ashley favoring foreign aid, and inserting a constituent's letter favoring extension of developmental aid through the United Nations. p. A3661
11. WATER RESOURCES. Rep. Smith inserted a speech by the Chief of Engineers on the value of water utilization for irrigation, flood control, navigation, industrial uses, and recreation. pp. A3662-4  
Rep. Brooks inserted a speech by the La. Director of Public Works on the work in La. to solve water problems. pp. A3683-5
12. RURAL DEVELOPMENT. Rep. Reece inserted an article on the achievements of rural development pilot programs in Tenn. pp. A3672-3
13. BUDGET. Rep. Smith, Kan., inserted a letter stating: "We believe the time has come when we should be more grateful to our chosen representatives for what they save us than what they get for us.." p. A3681  
Rep. Gavin inserted a newspaper article, "Strong Pressure For Budget Cuts--Voice of the People Wants Debt Cut; Lavish Foreign Aid Spending Scored." pp. A3685-6

#### BILLS INTRODUCED

14. PERSONNEL. H.R. 7512, by Rep. Baring, to amend the Civil Service Retirement Act Amendments of 1956 applicable to certain persons who retired under the automatic separation provisions of the Civil Service Retirement Act prior to the enactment of such amendments; to Post Office and Civil Service Committee.



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 85<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 103

WASHINGTON, TUESDAY, MAY 14, 1957

No. 80

## Senate

The Senate was not in session today. Its next meeting will be held on Wednesday, May 15, 1957, at 12 o'clock meridian.

## House of Representatives

TUESDAY, MAY 14, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art our gracious and generous benefactor and our refuge and strength in every generation, may we be a God-fearing and a God-loving people.

Grant that all our feelings of self-gratification and self-aggrandizement may be submerged and supplanted by larger and more magnanimous sentiments of public good.

Help us to appreciate more fully the blessings of liberty with which we have been entrusted and charged to defend and share with all mankind.

May we seek to hasten the dawning of that day when the good blessings of democracy shall be enjoyed by men and nations everywhere.

To Thy name, through Jesus Christ, our Lord, we ascribe all the praise. Amen.

### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 173. Concurrent resolution requesting the return of the enrollment of H. R. 1544 by the President to the House of Representatives for the purposes of reenrollment.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House

is requested, a bill of the House of the following title:

H. R. 4897. An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

### CALL OF THE HOUSE

Mr. CEDERBERG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

|                 |             |                |
|-----------------|-------------|----------------|
| Allen, Ill.     | Fogarty     | Norrell        |
| Anderson, Mont. | Griffin     | O'Neill        |
| Ashley          | Gross       | Patterson      |
| Ayres           | Gubser      | Porter         |
| Barden          | Gwinn       | Powell         |
| Beamer          | Hagen       | Frouty         |
| Boland          | Hays, Ohio  | Rabaut         |
| Bowler          | Hess        | Rivers         |
| Breeding        | Holifield   | Rodino         |
| Brooks, La.     | Holt        | Sadlak         |
| Buckley         | Holtzman    | Scherer        |
| Coffin          | James       | Schwengel      |
| Cole            | Kearney     | Sieminski      |
| Dawson, Ill.    | Kearns      | Stauffer       |
| Dempsey         | Kelley, Pa. | Taylor         |
| Durham          | McCormack   | Teague, Calif. |
| Eberharter      | McIntosh    | Teller         |
| Evins           | Magnuson    | Utt            |
| Fallon          | May         | Versell        |
| Farbstein       | Morano      | Wilson, Calif. |
| Fascell         | Morrison    | Wolberton      |
|                 | Murray      | Zelenko        |

The SPEAKER. On this rollcall 360 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

### DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to the bill and the time limited not to exceed 4 hours, one-half to be divided and controlled by the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, if the gentleman from Mississippi will permit, it seems to me that we should continue with the debate all afternoon and read the first paragraph without any amendments being offered today. Would that be agreeable to the gentleman? I want to say to the gentleman that I have had so many requests on this side for time that I do not see how I can possibly deal with a 2-hour limitation.

Mr. WHITTEN. Of course, my request is a unanimous-consent request. I, in turn, would have to object to reading one paragraph, so I could not agree to the gentleman's request. But, of course, the gentleman can object to the 4-hour limitation of debate.

Mr. H. CARL ANDERSEN. Well, I object to that.



The SPEAKER. Well, what is the difference?

Mr. H. CARL ANDERSEN. Very little.

Mr. WHITTEN. Mr. Speaker, if we agree to debate until we finish and then read one paragraph, it might last 30 minutes, and then we would waste a full day.

Mr. H. CARL ANDERSEN. I assure the gentleman that debate on this side will take at least 3 hours.

Mr. WHITTEN. And if we have 4 hours, that will insure adequate time for debate. I would rather wait until that time to agree. I object to the suggestion of the gentleman, and I renew my request.

Mr. H. CARL ANDERSEN. I will have to object, Mr. Speaker.

The SPEAKER. Does the gentleman suggest control of time?

Mr. WHITTEN. I suggest that one-half of the time be controlled by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7441, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I would like first to present to the membership a résumé of our action on significant items in this bill and our reasons therefor, after which I shall be glad to yield for questions.

The bill provides direct annual appropriations of \$1,610,024,848 for the regular activities of the Department, including \$19,399,515 for retirement fund contributions. The sum appropriated is \$403,378,260 less than the \$2,013,403,108 available for expenditure in the present fiscal year. It is \$272,556,860 less than the \$1,882,581,708 recommended in the 1958 budget, a reduction of 14.5 percent for these activities. Except for activities connected with the soil bank and soil and water conservation programs, the committee has, in effect, cut the President's budget for regular activities back to the 1957 level.

Also included in the bill is the sum of \$1,239,788,671 to restore capital impairment of the Commodity Credit Corporation through June 30, 1956, under its price support activities. It should be noted that about half of this amount is for storage, handling, transportation, administrative and interest costs. The balance represents price support losses on commodities sold by the Corporation, some of which were held as long as 8 years, during which time the Department failed to offer them competitively

in world trade for dollars, as authorized by law, though repeatedly urged so to do. If sales programs started last year at the urging of this committee are continued, the amount of deterioration should decrease and interest, storage, and handling charges should be greatly reduced. This should lead to a leveling off of these costs in future years.

The bill further provides \$343,076,238 to reimburse the Commodity Credit Corporation for money expended in fiscal year 1956 for various nonprice support programs under special legislative directives. Of this amount, \$637 million represents sales for foreign currencies under Public Law 480, 83d Congress.

The bill includes loan authorizations for the Rural Electrification Administration and the Farmers' Home Administration of \$448,500,000, which compares with \$1,173,500,000 available for the current fiscal year. These amounts are merely authorizations for loans which are eventually repaid to the Treasury with interest. Repayments of prior year loans are increasing each year and soon will equal the amount of new loan authorization made available annually.

Recognizing the need for economy, the committee has held the appropriations for the regular programs of the Department at the 1957 level. For these activities it has approved 1957 appropriations, plus funds to meet the mandatory retirement contributions, less nonrecurring project costs. The committee has not eliminated or denied any of the new programs requested in the 1958 budget. It recognizes that most of them have merit and feels that such programs can be met by shifting personnel from present projects to new work of more value. With a total of over 83,000 employees in the Department, the Secretary should be able to meet new needs as they arise without adding employees requiring increased appropriations. While there is a real need to improve farm conditions, it does not appear that the need can be met by adding more employees.

#### THE PRESENT FARM PICTURE

Conditions in American agriculture at the present time are not good. Four years experience has shown that reduced acreage, reduced prices, and rising costs lead only to reducing farm income to a disaster level. The last 4 years have clearly proven, based on records within the Department, that we cannot reduce production by reducing prices. Further, they show that we cannot reduce world production by merely reducing United States production, and we cannot control United States production by reducing United States acreage.

The records of the past 4 years prove that as we reduce price we increase production, and as we decrease acreage in basic commodities we increase production per acre and release more acres for nonbasic commodities, thereby increasing total United States agricultural production. The record shows that, if the farmer cuts production to the point of obtaining parity of price at the market place, he will have to create a scarcity which will further reduce his income and will be dangerous for the consuming public.

While changes in the law must come from the legislative committee, and changes in policy must come from Department officials, members of this committee feel that we should point out the increasingly bad situation which exists and should report to the Congress some of the causes, as we see them, of present farm conditions and changes which might be made, both in policy and in the law. Although not related directly to funds in the 1958 appropriation bill, these factors are important to the future welfare of American agriculture, and are significant in terms of appropriations required for future years.

#### THE RECORD

Four years ago net farm income was \$14.3 billion, or about 5 percent of the national income of \$281.8 billion. Four years ago the farmer received 47 cents of the consumer's food dollar. At that time the farmer received an average of 82½ cents per hour for his labor. Conditions then were considered to be serious for the farmer and it was generally agreed that something had to be done to improve his economic position.

For 4 years now the Department of Agriculture has been trying to improve that situation. During this period the Department has insisted that the primary cure for the farmer's plight is to, first, reduce support prices; second, reduce acreage; third, increase funds for research and extension; and fourth, undertake a rural development program. Then last year, after almost 4 years of following the Department's policies, as the American people approached an election with farm income down, the Department recommended and the Congress passed the soil bank to put up to \$1.2 billion from the Treasury in the farmers' hands.

During the last 4 years the Department has tried to carry out its policies.

It has reduced price supports an average of 20 percent.

It has reduced acreage for cotton by 38 percent, for rice by 22 percent, for wheat and tobacco by 23 percent.

Funds for research by State experiment stations have been increased 133 percent; funds for other research in the Department and the Extension Service have been increased 56 percent.

In 1957 the Department will spend more than \$2 million in 57 counties in what it called rural development for low income families, an average cost of more than \$36,000 per county. Nearly every agency in the Department is involved in this program.

In 1956 and 1957 the Department will give away with few strings attached, under the acreage reserve provisions of the soil bank, hundreds of millions of dollars, money which the Department counts as part of farm income.

#### THE RESULT

In 1956, after 4 years, farm income was down to \$11.8 billion, which includes direct-relief payments from soil-bank funds. This is a drop of \$2.5 billion, or 17.5 percent, since 1952. Comparatively, the personal income of other segments of the American economy increased from \$271.8 billion in 1952 to



\$306 billion in 1956, an increase of 12.5 percent. During this period the farmer's share of the consumer's dollar decreased from 47 cents to 40 cents, a drop of 15 percent, while the share for the group between the farmer and the consumer increased correspondingly. Since 1952, the hourly return to the farmer for his labor has dropped from 82½ cents per hour to 70 cents per hour, while earnings of nearly every other economic group have increased substantially.

In the same 4-year period, farm costs have increased about 10 percent, reflecting increases in income to practically every group between the farmer and the consumer. Further, the farmer's required capital investment and his overall farm debt have increased significantly. The average capital investment required per farm has increased from \$22,836 in 1952 to \$26,327 in 1956, an increase of over 15 percent. Total farm debt in 1952 was \$14.8 billion. This had increased to \$18 billion in 1956, an increase of 21.6 percent.

In spite of the great optimism of officials of the Department of Agriculture, the past 4 years have not brought parity of income to the farmer from the market place, nor from any other place for that matter. Today finds the farmer receiving much less from the market place than 4 years ago and depending more and more on direct payments from the Treasury. In the 1958 budget, \$1 billion is requested for direct payments to farmers under the guise of the soil bank. In the opinion of a majority of the committee, the only sound basis for the acreage reserve section is to help offset loss of income at the market place.

Since 1952, according to records of the Department, price supports on the major crops have been reduced as follows: Corn, 20 percent; cotton, 12 percent; cottonseed, 33 percent; barley and grain sorghums, 26 percent; oats and flaxseed, 25 percent; rye and soybeans, 21 percent; and milk and butterfat, 18 percent. As prices to the farmer have been decreased an average of 20 percent, his part of the national income has decreased in almost the same proportion, about 20 percent.

During this period of reduced price supports, there have been severe reductions in acreage allotments for basic commodities each year. As pointed out earlier, acreage planted to cotton has been reduced approximately 38 percent since 1952. Acreage for rice has been reduced around 22 percent; wheat and tobacco acreage have been reduced approximately 23 percent.

Contrary to the expectations of agricultural officials, who have maintained that reduced price supports and acreage reductions would reduce production, production increased steadily during this period. Not only did the farmer increase his per-acre production of basic commodities, but acreage reductions for basic commodities made available more acres for nonbasic commodities, increasing total production.

The Secretary now sees that reduced price supports and reduced acreage, which he has offered as the cure to so-

called overproduction, has not worked. In his February 28, 1957, appearance before the committee he admitted that controlling production is not the answer. In his appearance on April 16 of this year he told the committee:

Farmers last year turned in a remarkable performance. They achieved total crop production equalling the previous record from the smallest total harvested acreage in 20 years. Average yields per harvested acre set new overall record levels with few crops falling below average. It should be noted that the large total outturn was attained despite a late, cold spring and severe drought in the southern Great Plains and the western Corn Belt, and other high-producing areas.

Notwithstanding the Secretary's present use of his authority to sell Commodity Credit Corporation inventories competitively in world trade, leading to the greatest export volume in years in 1956, CCC holdings increased from \$2.5 billion on January 1, 1953, to \$8.2 billion on January 1, 1957. This is largely due to increased production generated by reduced price supports and reduced acreage.

Certainly these results prove the Department's present policies and programs to be inadequate to meet the problem. The facts recited above should lead all interested persons to study the causes and seek the remedies for the present situation, since this country cannot long continue to prosper with one segment of its economic structure seriously ill.

#### ACREAGE CONTROLS INEFFECTIVE

Part of the trouble lies with the agricultural laws passed in 1933, which except as to price support levels, largely govern present farm programs. At that time the United States produced such a large share of the world's supply of basic commercial crops that it was felt that regulation of United States production would regulate world production. At that time it was believed that cutting United States acreage would control United States production. Provisions for such actions were included in that law. Time and experience have shown that these provisions have not been effective since, as United States acreage has been reduced, world acreage has increased. Further, as United States acreage has been reduced each year, the American farmer has increased his yield per acre through more intensive cultivation and increased use of machinery, fertilizer, and insecticides.

According to USDA reports, per acre yields for corn increased from the 1945-54 average of 37.1 bushels to 40.6 bushels in 1955 and 45.4 bushels in 1956. For wheat, the 1945-54 average of 17.1 bushels per acre increased to 19.8 bushels in 1955 and 20 bushels in 1956. The yield per acre for cotton increased from the 1945-54 average of 283 pounds to 408 pounds in 1956. The same increase has been true for many other crops.

One of the more serious aspects of the reduction in acreage each year is that, as the farmer has increased his production per acre, he has made further cuts in his acreage for the next year under the formula contained in the present law, freeing more acreage for production of

other farm crops. Further, current programs are encouraging the farmer to exploit his land, which runs counter to the long-range soil conservation objectives of the Federal Government.

#### ERRONEOUS PRICE-SUPPORT POLICIES

The belief of the present Secretary of Agriculture that lower price supports would reduce farm production and increase domestic consumption has not been borne out, as shown by the records of his own Department. As the farmer's price has gone down, he has increased his production to protect his level of income as far as possible. Despite price support reductions of 20 percent for corn, production in 1956 was 159 million bushels more than in 1952. Likewise, price support reductions for such commodities as barley, flaxseed, rye, sorghums, soybeans, butterfat, and milk resulted in greater production in 1956 than in 1952.

At the same time, domestic consumption on a number of crops has decreased despite price reductions. Domestic consumption of cotton decreased 461,000 bales in 1956 as compared to 1952, although price supports were lowered 12 percent by the Department as a means encouraging increased consumption. Despite reductions in price support levels during the past 4 years for cottonseed and oats, domestic consumption of these commodities also decreased. It is significant to note that the percentage of consumer income spent for food decreased from 34.4 percent in 1952 to 32.1 percent in 1956.

Further, the record indicates that reductions in prices to the farmer have not been passed on to the consumer. Instead, such reductions have merely increased the take of the so-called middlemen. Since 1952 the spread between the farmer and the consumer has increased from 53 percent to 60 percent. On the basis of the Nation's 1956 food bill of \$53 billion, an additional \$3.7 billion went to these middlemen in 1956 as a result of this increased margin. If only half of this amount taken from the farmer and made available to the middleman had gone to the farmer, it would have provided him much more money than he can hope to get from the soil bank. If as much as two-thirds of the middleman's added take had remained with the farmer, he would have been able to maintain his 1952 level of farm income, and his plight today would be much less serious.

#### FAULTY EXPORT SALES POLICY

Another part of the trouble lies with the erroneous export sales policies followed by the Department until about 18 months ago. While the United States was paying 738 United States foreign aid technicians to help improve foreign agriculture, the Secretary of Agriculture was refusing to offer United States commodities for sale abroad at competitive prices, as authorized by law.

The Secretary continues to talk of the United States price support program holding an umbrella over world agricultural production. Yet he readily admits to the committee that he has had authority to sell in world trade on a competitive basis all along. There is no way to avoid the fact that this price umbrella



is due to a decision not to use such authority until late 1955 and early 1956, rather than to the price support program.

The committee would point out again that the Department has always had authority to sell in world trade for what the commodities would bring. The Secretary admits to such authority and is now using it successfully. In 1956 more agricultural commodities were exported than in any time in 20 years. If the Department had fully used this authority in recent years, the farmers and the Commodity Credit Corporation would be much better off financially than they now are.

#### NEW FARM PROGRAM NEEDED

With economic protections built into the law of the Nation for nearly every segment of our economy, the farmer will always be at a competitive disadvantage unless he also has some degree of legislative protection. Constantly increasing costs of transportation, processing, and distribution will continue to force his prices down, since at the opposite end of the economic ladder consumer resistance to price pushes the increased take of the middlemen on to the farmer. Further, as the cost of production increases, and the use of more fertilizer, equipment, and insecticides is required to meet the pressure for increased yields, the cost-price squeeze will become even more acute.

Based on years of study of agriculture, and the familiarity which has come from the annual review of the financial requirements of all of the programs of the Department, it is the opinion of the majority of the members of the committee that an entirely new legislative approach must be developed if the present conditions are to be corrected. This is essential if the farmer is to share in the general prosperity of the rest of the country—if he is to own an automobile, send his children to school, enjoy a reasonable standard of living, and save and protect the Nation's natural resources.

It is to be remembered that during the long period prior to the 1930's when the farmer had no such protection in law, we wore out 40 percent of our fertile soil and used up 80 percent of our virgin timber. It must be remembered that such a drop in farm income as we have had since 1952 has always led to a depression.

We have had 14 freight-rate increases since World War II. We have minimum wages and bargaining rights provided by law. We have had increasing profit guaranties. All these things lead to the fact that the farmer, too, must have a fair return for his investment and his labor. However, he should have such a return from the market place instead of the Treasury.

#### SUGGESTIONS FOR NEW FARM PROGRAM

Numerous suggestions have been made as to how the farm program might be changed to give the farmer the opportunity to earn a fair income. One method, which was offered originally as the Brannan plan and was adopted later by Secretary Benson for wool, is to make up from the Federal Treasury the difference between what the farmer gets at the market place and a fair price. While

this approach may have some merit, it has one significant defect. It would make the farmer dependent for part of his cost and all of his profit on annual appropriations from Congress.

Since Members of Congress represent all of the American people, 87 percent of whom are not farmers, the farmer would be placed in the position of not being able to rely on this support each year. The level of his income would then be subject to the strong economic and political pressure which develop from year to year.

The second approach is to make it to the advantage of the domestic purchaser to pay a fair price at the market place for agricultural products. Such a plan would place the cost of a fair return to the farmer on the purchaser or user of such commodities. This would put the farmer on a basis somewhat comparable to that of labor, utilities, business, and other segments of the population. Under present laws all of these groups are able to pass on to the user the cost of a fair return for their labor and capital.

This second alternative is believed to offer some real possibilities for the basic commodities, and a number of others. This plan could be carried out by issuing to the farmer certificates for his share of the domestic market figured in terms of bushels, bales, or pounds. Such a plan would provide price support for the farmer's certified share of the domestic market at parity levels, thus requiring the purchaser to pay a fair price. Such a program should then impose a penalty or special tax on processors and other purchasers of commodities purchased for domestic use which were not certified as the farmer's share of the domestic market. This would make it to the advantage of the processors to buy certified commodities.

Under this approach, restrictions on production would be removed, and that part of the United States production not certified for domestic markets would be available for world trade at competitive prices, or for domestic use if the tax were paid. On this basis, there should be little if any cost attached to a price support program. Any cost would be offset by taxes or penalties collected on the domestic use of noncertificated commodities. Such a program would transfer the cost of the farm program from the taxpayer to the purchaser or user.

This type of program would enable us to get away from our present system of acreage controls, and the incentive to increase production inherent in such controls. It would let the farmer farm. In actual practice, much of its cost would come from the group between the farmer and the consumer which, according to the record, has absorbed most of the reductions in farm prices as they have been made.

Many other solutions to the farm problem have been offered and should be considered. However, any new program which is finally adopted should let the farmer farm, should provide protection as to price for his share of the domestic market, and should be paid for by the purchaser at the market place. Under all circumstances, we must keep the right

to sell in world markets at competitive prices, authority for which has always existed. We must see that the Secretary continues such a sales program.

#### RESEARCH AND EXTENSION

One of the Secretary's answers to the farm problem has been increased emphasis on agricultural research and extension activities. While members of the committee have always been strong supporters of these programs and have introduced legislation making increased appropriations possible, they have not agreed with the Secretary that additional employees are a substitute for legislation which will make possible a satisfactory farm income.

The committee has gone along in recent years with sizable increases for research and extension, so as to give the Secretary the opportunity to carry out his proposals. Since 1952, annual appropriations for the State experiment stations have increased from \$12,670,308 to \$29,503,708, an increase of 133 percent. During this same period, appropriations for the Extension Service have increased 56 percent from \$32,100,789 in 1952 to \$49,865,000 in 1957.

The increased demand for research and extension work during the past 4 years appears to be the direct result of the reduction in farm income. Demands by farmers for better seed, improved cultivation practices, and better fertilizers and insecticides, to offset price and acreage reductions, have undoubtedly increased the pressure upon the Department for this service. The increase in yields per acre each year appears to be the result of these demands.

With farm income continuing to fall, however, it is apparent that increased appropriations for these activities is not the answer to the farm problem. It is apparent that research personnel and county agents are limited in what they can do to improve the farmer's lot in a period of falling prices, reduced acreage and increasing costs.

In the bill for 1958 the committee is recommending the same appropriation for the research and extension programs as was provided for fiscal year 1957. To continue rapid intensification of agricultural production, with added depletion of the soil of the Nation, seems to the committee to be at cross purposes with other policies. In view of the fact that Congress is asked to appropriate large sums under the soil bank to reduce production, the committee feels that further increases in these fields might well be delayed, especially in view of the large increases of the last few years.

#### SOIL BANK

The soil-bank program was offered last year as another answer to the farm problem. It is based on the philosophy that the way to help American agriculture is to reduce American production. It was offered as a temporary stopgap measure, in view of the fact that the present program of reduced price supports, acreage reductions, increased research, and education, and other measures advanced by the Secretary, had failed and the farmer's plight had gotten worse and worse. In fact, a careful reading of the law



clearly shows that one of the principal purposes of the program was to get some money into the farmer's hands last fall.

While there may be some value to the conservation reserve portion of the program, findings developed by a special investigation conducted by the committee, and information received from various sources throughout the country, raise serious questions concerning the acreage reserve program. Despite the sign-up of some 12 million acres at an estimated cost of \$260 million under the 1956 acreage reserve program, production for most crops was higher in 1956 than in previous years. Most farmers who placed a portion of their land in the acreage reserve stepped up production on the balance of their land. Further, much of the land placed in the acreage reserve was drought land which would not have produced a good crop in any event.

Officials of the Department feel that the 1957 acreage reserve program will show better results. However, only 75 percent of the participation expected has materialized to date, and if conditions improve in the drought areas participation will be even less than now indicated.

In view of this experience, the committee has reduced the 1958 appropriation for payments under the acreage reserve program from the \$750 million authorized for 1957, and the \$701,173,340 requested for 1958, to a total of \$600 million. Further, based on the record and serious doubts as to the advisability of continuing this program beyond the next year, it has limited the amount of commitments which may be made under the 1958 program to \$500 million. Reasons for these decisions appear later in this report.

#### SOIL AND WATER CONSERVATION

For several years now the committee has felt the need for closer coordination among the various programs of the Soil Conservation Service and the agricultural conservation program. With two new programs of a similar type coming into the picture—the conservation reserve of the soil bank and the Great Plains program—this need has become even greater. For this reason, and due to the difficulty of clearly distinguishing between the activities under each program, the committee has included a consolidated appropriation for all soil and water conservation activities in the 1958 bill.

This new appropriation item includes the funds for soil conservation operations, watershed protection, flood prevention, water conservation and utilization projects, agricultural conservation payments, the conservation reserve, and the Great Plains program. It is believed that such consolidation will make it possible to save money in the overall program, while giving increased attention to phases of the program where vital needs exist. It should also make it possible to make economies by bringing together for the first time the administrative costs for soil and water conservation.

The combined appropriation should provide more flexibility in handling these programs to make certain that the funds are utilized effectively. For instance, under this approach, it is hoped that it

may be possible to speed up the various watershed and flood prevention projects, since that appears to be the most effective way to carry out soil and water conservation. Further, the new appropriation will make it possible to use the funds to service new soil conservation districts where this becomes necessary to further the conservation program.

Also, this plan should enable the Congress to provide adequate funds for soil and water conservation research to implement the large overall soil conservation programs authorized each year. There is considerable evidence that soil bank funds and other conservation money could be more effectively used if more conservation research and investigation were done in advance. Proper attention to the soil and water research problems in the various parts of the country where the large sums are being spent under these programs should pay real dividends under this arrangement. In some areas the Department does not now have adequate research information to permit them to recommend conservation practices to be adopted under these conservation programs.

#### RURAL DEVELOPMENT PROGRAM

The rural development program, which was offered several years ago to help the low income farmers of the country, is another program adopted by the Secretary as a substitute for adequate farm income. Nine offices of the Department of Agriculture receive large sums for this program, and six other agencies of the Federal Government are involved in this effort. It is doubtful if any program could work effectively with this multitude of agencies and agents.

The Department of Agriculture is spending \$2,061,645 in fiscal year 1957 for this purpose and has requested \$3,955,720 for fiscal year 1958. At the present time, the program is being carried on in only 57 counties, which are designated as pilot counties. This work may be helpful to those counties now receiving this special attention at a cost of more than \$36,000 each. However, to expand the program to the 3,000 counties of the Nation, the ultimate cost would run well over \$100 million per year, which is far beyond what the taxpayer can afford to spend for this purpose. Even the Department suggests that such program be held to a pilot plan basis. This the committee has done by holding the program to the present fiscal year basis.

It is the belief of a majority of the committee that the funds available within the 1957 base for this work could better be used to strengthen the regular activities of the various agencies involved. Such action would be of more general benefit to the entire country. Since the basic purpose of the regular activities of these agencies is to help all farmers, including low income farmers, the committee cannot see the justification for separate funds and separate personnel for a program which is of necessity limited to a handful of counties. In the opinion of a majority of the committee it would be better to help the price small farmers receive and let them farm.

Such a course would be of more benefit to everyone.

#### CONTRADICTIONS IN PRESENT POLICIES

Inherent contradictions in the present farm policies of the Department are extremely costly to the farmers and the taxpayers of the country. On the one hand, the Department recommends spending \$1 billion next year under the two phases of the soil bank to remove cropland from production for the purpose of reducing production. At the same time it proposes to expand the research and educational activities of the Department to further increase yields and expand production. Further, as it advocates reduced production, it then provides the two greatest incentives for increasing production, reduced acreage and reduced prices.

As pointed out earlier, on April 16 of this year, the Secretary reported to the committee that farmers turned in a remarkable performance in 1956, achieving record crop production. At the same time, he reported that, under the soil bank, he was doing everything possible to curtail production.

It seems to the committee that the Secretary and the Congress must review present programs. Figures from the Department's own records indicate that as of now the policymakers of the Department of Agriculture have mounted a horse and are attempting to ride off in all directions at once. If it is sound to expand production through increases for the various programs of the Department, it is highly questionable whether the Congress should appropriate large sums for the acreage reserve under the soil bank. If it is sound to reduce production, as the Secretary proposes, he should be required to stop reducing price supports and cutting acreage, when his own records show that increased production has been the result of these actions during the past few years.

#### RESEARCH ADVISORY COMMITTEES

Recognizing the value of bringing to the Department the advice of outside organizations dealing with agriculture, members of the committee have strongly supported the 25 research advisory committees established 10 years ago. The committee has felt that such a system would help to keep the research program of the Department on a sound and practical basis and has relied on such groups to provide the principal review of the many individual projects proposed in the budget each year.

The committee has been disappointed in the work of these groups in recent years. Instead of making a thorough and continuing review of existing research projects which might be improved or eliminated to make personnel available to meet new problems, the large increases proposed each year indicate that the time of these committees is taken up largely with the review and approval of new projects of special interest for which additional funds are always asked. This has resulted in such large increases for research that substantial sums were not needed during the current year and have been diverted to other uses.

The committee urges that these advisory groups review their basic purpose



and consider how to undertake new and important research projects without continually requesting additional appropriations. In view of the necessity of holding the research funds of the Department for the coming year at the 1957 level, such action becomes absolutely essential.

In this connection, the committee has noted the interim report recently released by the Commission on the Increased Industrial Use of Agricultural Products. The committee is disappointed to note that the recommendations contained therein call for an increased level of Federal expenditures of "not less than three times the amounts currently available." This is another example of proposing increases in Federal appropriations in lieu of redirecting effort to meet new demands within existing amounts of funds and personnel. Most of the concrete proposals in this report, which appear as new, are really for expansion of existing work. Little, if any attention appears to have been given to what is already being done in these fields.

#### AGRICULTURAL RESEARCH SERVICE

The committee recommends \$48,994,890 for 1958, a decrease of \$11,880,110 in the budget estimate. Apparent reductions below 1957 come from nonrecurring and transferred items. The amount provided includes funds for all research formerly carried under this heading, plus funds previously carried separately for foot-and-mouth research at Plum Island and research on strategic and critical agricultural materials.

The amount recommended provides for the continuation of these programs at the 1957 level of operation. It includes an additional \$2,385,000 for mandatory retirement fund contributions, offset by reductions for nonrecurring construction projects authorized in 1957 and the transfer of conservation research funds to the new soil and water conservation appropriation.

As pointed out earlier, the action of the committee is not intended to deny or eliminate any of the increases proposed in the 1958 budget. In view of the urgent need for economy, however, the committee believes that it should hold this appropriation, together with all others in the bill, at the 1957 level. It is pointed out that funds for research have been increased 56 percent since 1952. Perhaps a year of settling down could well add to overall research effectiveness. Good administration should make it possible to undertake many of the new programs proposed in the coming year through the elimination or slowing down of less worthwhile projects now being carried on. Even with the 1957 appropriation level for next year, there is some latitude to undertake new projects, since a portion of the research money for the present fiscal year will not be used.

A number of worthwhile projects were brought to the committee's attention during the hearings by various Members of Congress, and others, including additional research on dried beans and bulb production and studies relative to the contamination of agricultural products from phosphate plants and similar in-

dustrial establishments. Here again the committee calls on the Secretary and the research advisory committees to give these projects careful consideration and make every effort to undertake them through the discontinuance of less productive work now being performed.

An appropriation of \$29,503,708 is recommended for payments to States, Hawaii, Alaska, and Puerto Rico. Also, \$250,000 is provided for penalty mail costs. The amounts recommended are the same as those provided for 1957 and are \$4,500,000 less than proposed in the 1958 budget.

Since 1952, appropriations for this purpose have increased 133 percent. This has largely been due to the Secretary's belief that additional research is one of the principal means of offsetting declining farm income and the increasing demands of the farmers of the country for better seed, fertilizers, insecticides, and cultivation practices to increase per acre production to offset falling prices and reduced acreage allotments.

As pointed out earlier in this report, the committee has gone along with these large increases in prior years in order to give the Secretary the opportunity to try out his policies. The committee members believe research to be highly important, but would point out that expanding research designed to increase agricultural production is at complete cross purposes with the Department's program of spending hundreds of millions of dollars through the soil-bank programs—along with price and acreage reductions—in an effort to curtail production. It has held these funds for next year to the 1957 level with the belief that a year of leveling off is desirable.

#### EXTENSION SERVICE

The sum of \$49,101,000 is included in the bill for the coming fiscal year, the same amount as available for 1957. While it does not provide the increase of \$5,264,000 included in the 1958 budget, such sum is 56 percent higher than appropriations for this purpose in 1952. The committee has held to the present year's figure in line with the general policy followed throughout the bill.

Much of the increase authorized for this program during the past few years has been used by the State extension services to employ administrative people and specialists at the State level and to carry out the experimental rural-development program in 57 counties. It appears that, despite these large increases each year, the salaries of county and home demonstration agents in many areas have not kept pace with those in other activities of the Department. According to testimony presented to the committee, this has created a bad situation in this service. Witnesses have pointed out to the committee that the United States is paying county agents assigned to foreign countries under the foreign-aid program considerably higher salaries than the extension service of the various States pays local agents.

In considering this matter, it should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural

system. However, the salaries are determined by the State extension services, and it is beyond the power of the Appropriations Committee to correct this salary deficiency. At the same time, the committee recognizes the value of this activity, and feels that it has been a mistake for the State extension services not to keep their salary levels comparable to those of other Federal employees working in the same localities.

The committee strongly urges, therefore, that Federal, State, and county officials get together on this problem. It believes that funds can be found within the amount provided for the coming fiscal year to meet the Federal share of reasonable salary increases. In the opinion of a majority of the members of the committee, the funds being used for the rural-development program could better be used to meet these salary needs, than to maintain a separate unit with separate personnel to work with low-income farmers in only 57 pilot counties in the Nation at a cost of more than \$36,000 per county. Since the regular county agents are authorized to work with all types of farmers, including low-income farmers, the committee urges that funds now being used for the rural-development program and other special programs at the State level be diverted to help provide needed salary increases for the county and home demonstration agents.

#### SCHOOL LUNCH PROGRAM

The committee recommends an appropriation of \$100 million for the coming fiscal year, a continuation of the program authorized for fiscal year 1957.

Testimony presented to the committee indicates continued increases in the number of schoolchildren affected by this program and the number of meals served each year. During fiscal year 1956 some 10½ million schoolchildren participated in this program and over 1.7 billion meals were served. During that same fiscal year total Federal contributions, including section 32 donations, amounted to \$228.2 million, while State and local contributions, including payments by schoolchildren, totaled \$519 million. Comparable estimates for the 1957 program are that total Federal contributions will be \$284.1 million and State and local contributions will be \$562 million.

#### COMBINED CONSERVATION APPROPRIATION

As explained earlier, the committee has consolidated the funds for all of these programs into a single appropriation for the coming fiscal year. It is expected that this action will result in closer coordination among the soil and water conservation activities of the Department and will provide sufficient flexibility to make certain that the more valuable portions of the program are properly financed, or even expanded where new districts and projects are involved and local people are ready to meet their share of the cost. This should insure maximum advancement and effectiveness of the soil and water conservation efforts of the Department and should result in economies of operation. It should also result in the integration



of these programs to the point where basic legislation can be simplified.

The amount recommended for the coming year for the combined appropriation is \$535 million, a decrease of \$133,441,660 in the budget estimates for 1958 for these programs. The amount proposed is \$210,268,000 above 1957 appropriations actually made to date for these programs. However, when the \$450 million authorized spending from CCC for the 1957 conservation reserve program of the soil bank is taken into consideration, the amount recommended is \$239,732,000 below the rate of expenditures authorized for these purposes during 1957.

In addition, the bill includes an advance authorization of \$250 million for the 1958 agricultural conservation program, which is the same amount as was authorized for the 1955, 1956, and 1957 programs. The bill also includes language limiting the size of future conservation reserve programs to \$250 million in any calendar year.

The committee expects that increased emphasis will be given to watershed protection and flood prevention projects in carrying out the soil conservation program under the consolidated appropriation. In developing the long-range conservation programs, it is imperative that the maximum use be made of water resources. The committee suggests that all watershed plans inaugurated under Public Law 566 provide for maximum water conservation on an economically feasible basis.

To spend hundreds of millions of dollars for the various phases of the soil bank, and to invest less than \$30 million a year in the permanent type of conservation which the watershed protection and flood prevention projects provide, is extremely shortsighted. Some of these projects have been under construction since 1944 and, at the present rate of progress, many will require another 30 to 40 years to complete. It is estimated that a total of \$70 million will have been expended on the 11 major watershed projects as of next June 30. During the past few years, the Department has spent more than this amount for emergency feed assistance and other types of disaster programs in the drought areas. Had this amount been spent to speed up the watershed and flood prevention projects, it is safe to assume that a great deal of the damage could have been prevented and most emergency appropriations could have been avoided. Also, the amount spent would have become a permanent investment in long-term soil and water conservation, rather than temporary relief of no permanent value.

The budget included \$5 million for transfer to the Forest Service for the expansion of State operated tree nurseries. In view of the reduction in the funds for the overall soil and water conservation activities, the amount for this purpose during the coming year will be small. The committee believes that adequate seedlings should be available for the conservation reserve program. However, in view of the slow rate at which landowners have signed up and the fact that in many areas adequate supplies are

available at reasonable prices from nurserymen, the committee directs that the Department make a new survey of the need for such nurseries and limit Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at reasonable prices.

The appropriate under this heading includes \$7,200,000 for soil and water conservation research for the coming fiscal year. This fund has been transferred from the Agricultural Research Service to this appropriation in order that it may be considered in connection with the overall soil and water conservation programs with which such research is identified. As pointed out earlier, the need for this research becomes increasingly important as the conservation programs expand. In some areas of the country little or no conservation research has been done to serve as a basis for establishing practices and regulations for the conduct of these programs. In other areas the conservation research program is poorly organized and is conducted in borrowed buildings and with borrowed facilities. Therefore, the Department is urged to review its activities on the basis of the new combined soil and water conservation program of the Department and to establish proper research programs in each major area of the country.

#### ACREAGE RESERVE PROGRAM

As pointed out earlier, the acreage reserve program was established under dire necessity to get some funds in the hands of the farmer last year. It was created to compensate producers for reducing their acreages below farm acreage allotments or base acreages, a course which the Secretary now recognizes will not control production. Commodities affected are wheat, corn, cotton, rice, most types of tobacco and peanuts. Producers are compensated through the issuance of negotiable certificates which CCC redeems in cash or, with respect to grains, in grains at a price which will not materially impair the market price for such grain and will encourage acceptance of grains in lieu of cash. It is now apparent that, if this program were to be pushed, it would have a damaging effect on local business.

The Soil Bank Act authorized an annual acreage reserve program of \$750 million, to be financed from Commodity Credit Corporation capital funds on a reimburseable basis for the first year. The basic act provided further that, beginning with the 1958 fiscal year, the program should be financed through regular annual appropriations. The appropriation included in the bill for 1958, which is the first one considered by Congress for this purpose, is \$600 million. This is a decrease of \$101,173,340 in the budget estimate, and a decrease of \$150 million below the program authorized for 1957.

As discussed earlier in this report, the majority of the members of the committee have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did. Department of Agriculture statistics on the 1956 pro-

gram indicate that production was higher for most crops in 1956 than for earlier years, due to increased yields on acreage continued in production and the retirement of unproductive and drought-stricken land. While it is still too early to have firm figures for the 1957 program, present indications are that total production will not be reduced materially—despite the expenditure of large sums under this program in 1957.

The committee made a full field investigation of this problem early this year. The findings of that investigation, which are printed in complete detail in part 6 of the hearings on the 1958 budget, reveal many undesirable aspects of this program and many instances of abuses which will have a very detrimental effect on agriculture in the future. Instances are cited and others have later appeared where the amount of rental paid to remove land from production exceeds the total value of the land. Instances are also reported where land removed from production from one crop, for which Federal payment is made, has been put into other crops, thereby creating double income on such land. Numerous instances have also been reported where nonfarm people have invested in land with the expectation that acreage reserve payments from the Government will more than repay their full investment in a few years. Also, some cases have been cited where individuals have leased land from the Federal Government and have placed it in the acreage reserve program at rates higher than those paid under the original lease.

Some members of the committee feel that the program should be discontinued immediately, on the basis that it is pointed in the wrong direction. Others feel that it should be eliminated gradually in the next few years. Since it is felt that complete elimination is a major policy decision which should be handled through regular legislative channels, the committee has moved in the direction of gradual elimination of the program by reducing the appropriation for 1958 to \$600 million and by reducing the size of the next year's program to \$500 million.

There are two reasons why the acreage reserve program has failed to curtail production by any significant amount. One is that the farmer has rented the poorer part of his land to the Government and, thereby, has not taken out of production land with average production. The other is that the farmer has increased his per-acre yields on the land not placed in the acreage reserve, to offset the loss of production on the land taken out of use. If it is desirable to reduce production through a program of this type, and if large sums are to be expended for this purpose, the committee feels that regulations must be adopted which will make certain that land with average productivity is placed in the acreage reserve. It might be advisable to require that, to be eligible for acreage reserve payments, the farmer should reduce his production by the percentage that the rented acres have to the total acreage on the farm.

In any event, this program will always be considered by the 87 percent of non-farmers as a means of giving the farmer



something for nothing. In the opinion of a majority of the committee it should be curtailed for that reason, if for no other. As stated earlier, the principal justification for this program is to restore to the farmer some of the income he has lost through reduced prices and acreage.

#### COMMODITY CREDIT CORPORATION

A total of \$1,239,788,671 is included in the bill for restoration of capital impairment of the Corporation through June 30, 1956. A breakdown of this amount is as follows:

|   |             |
|---|-------------|
| Price support program:                          | (Thousands) |
| Basic commodities-----                          | \$305,986   |
| Mandatory nonbasic commodities-----             | 457,340     |
| Other nonbasic commodities-----                 | 211,607     |
| Total price support program--                   | 974,933     |
| Commodity export program-----                   | 69,576      |
| Interest, administrative, and other (net) ----- | 195,280     |
| Total realized losses-----                      | 1,239,789   |

It is interesting to note that only 25 percent of this amount represents price-support losses on basic commodities. Most of the balance is involved in non-basics.

A further breakdown of this amount is as follows:

|  |             |
|--|-------------|
|  | (Thousands) |
| Loss on commodity transactions--               | \$611,854   |
| Storage and handling charges---                | 281,173     |
| Transportation and related costs--             | 151,801     |
| Administrative and related ex-<br>penses ----- | 36,585      |
| Interest expense-----                          | 158,376     |
| Total realized losses-----                     | 1,239,789   |

These figures show that only half of the amount is due to commodity losses. The remaining half is involved in storage and handling, transportation, administrative and interest costs.

If competitive sales had been the policy for the last 4 years, a large portion of the interest, storage, and handling charges of over \$1 billion could have been saved. Further, had the United States stayed in world market on a competitive basis during this period, the rapid accumulation of CCC stocks could have been averted and the large reduction in acreage allotments could have been avoided. Also, it is entirely possible that the need for the soil bank program would not have developed. This would have saved several billions of dollars additional to the taxpayer.

At the continued urging of this committee, and after the establishment of an effective sales organization for the Corporation in the 1956 Appropriation Act, the Department has been selling United States agricultural commodities in foreign trade for dollars on a satisfactory basis. Since the Department started to sell commodities competitively, dollars sales have totaled \$1.8 billion. Last year approximately 7 million bales of cotton were sold, and the stocks of many other commodities were reduced substantially.

In connection with the sales of cotton, large sums were rebated to the purchasers based on Government reclassing of the cotton after it had been sold. Information furnished the committee indicates that some \$46 million was paid

out in this manner, better than half of which went to six of the largest international cotton traders. This situation results either from poor initial classing or substantial deterioration during the period the cotton was held off world markets. It is hard for the committee to understand, however, how either of these factors could develop to such an extent. There appears to be no evidence of collusion, though in some cases the same persons performed both classing operations—when it was taken over by Commodity Credit Corporation and when it was sold to the private purchaser. It would appear that the same judgment would be applied on both occasions. Further, reports reaching the committee indicate that much of this cotton was sold in world trade at the original or a higher grade comparatively, even though these large rebates were paid presumably for deterioration of the cotton while in storage. In view of these findings, the committee recommends that Department officials adopt a regulation which would deny reclassification unless there was a certification from the purchaser that the cotton had been or would be offered in world trade at the same or equivalent grade and class as that at which it was reclassified by the Commodity Credit Corporation. In the absence of such action, the cotton should be sampled on request in advance of sale without reclassing rights.

Mr. Chairman, it is not an easy time for the American farmer, as the Congress comes to consider the appropriation bill for the next fiscal year. As most of the Members know, I have been a member of the committee dealing with agricultural appropriations for many years. Other members of our committee likewise have been members of that committee for a long time.

Times are serious enough with the American farmer, and I think it is time that we set aside many of our personal animosities, if we have had any, and try to look at this matter objectively. Last fall's election is over. Now we are living in a new year with the same problems. It is time that we put our heads together to recognize the serious situation that we have, to study that situation and determine if we can what are the causes, and to go further and determine what we can do as a Congress to improve that situation.

Our committee has devoted much of its time and effort to develop the facts of the situation. We have spent many hours trying to determine how it got that way and we have spent more time trying to determine the best way to bring about an improvement.

Four years ago conditions facing agriculture were believed serious. It was an issue in the political campaign of 1952 and properly so. I could not condemn the Secretary of Agriculture for his feeling that conditions were not good. Then, when he became Secretary of Agriculture, as was his right, he offered his solutions. I shall briefly enumerate them to you, as we do in the report.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman did not put them in the report, but does he have any figures as to what the situation was 8 years ago?

Mr. WHITTEN. I could obtain those, but I think it would make the picture a little bit worse for my friend from Indiana. I thought I was going as far as I justifiably could and not get charged with partisanship.

Mr. HALLECK. I would not want to inject any partisanship this early in the debate because the gentleman is able and always nonpartisan, but his constant reference to 4 years seems to me to smack just a little of partisanship.

Mr. WHITTEN. I should like to show that this is not partisan for this reason: This report refers to what has happened while we followed Mr. Benson's views. I should not saddle Mr. Benson with conditions that happened before he came in. We have followed the Secretary's views for 4 years. In trying to point out what those views were, what he recommended that we do, and what we did to carry out his recommendations, I respectfully submit in fairness I should limit it to the time he has been in office. He should not be responsible for the time he was not secretary. My friend would agree with that, I am sure.

Mr. HALLECK. The first 2 years of that 4 years he was still operating under the program that had been written before that time.

Mr. WHITTEN. That is true, and he had a Republican Congress and he could not get them to change the law until after 2 years had passed. The first 2 years he could not get a Republican Congress to change the law. I am sure that by now some of my friends on the left wish he had never been able to get the law changed.

Mr. HALLECK. If the gentleman will yield for one further observation, the second 2 years of the 4 years he had a Democrat Congress and under that Congress he was operating in conjunction with the Democratic Congress.

Mr. WHITTEN. Yes. I will say for that Democratic Congress that I have to take part of the responsibility. I was chairman of this Subcommittee on Agricultural Appropriations for that last 2 years, and against my best judgment I decided to give the man his chance. I went along with his request for appropriations to strengthen the things that he said would cure what I had every reason to believe it would not. But I thought it well to give him his opportunity. I trust that the legislative committee was just as fair in trying to give every man his right to a trial run. We did pass the law. I regret it, myself, except that it may lead to a serious study of where the real defect lies.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. ARENDS. Does the gentleman mean to leave the impression with the House that we have ever really given the soil-bank plan an opportunity to func-



tion? The gentleman knows we have not, and so do I.

Mr. WHITTEN. No; I do not think it has had time, except when you investigate it you find out that it pays people not to plant ground that would not germinate seed. When you investigate the operations in two-thirds of a year you find that farmers are paid more money not to plant the land than the land is worth. When you investigate it you find in certain areas the Government rents lands to individuals, Government lands, and then those individuals turn around and rent the land to Mr. Benson for more money than the Government was charging in rent, and pick up the difference. When you find the many other things that our investigators' report shows, there are just some things that you do not need 3 years to find out it is an unsound approach.

I say that to my friend advisedly. Further, I would say that the records in the Department show that, as you curtail acreage and reduce acreage, production increases per acre, and the total production increases. But, as you limit the farmer's acreage, he increases fertilizer and irrigation, he buys the best seed, and uses everything to increase his production per acre. Then as the production per acre is increased, he reduces acreage under the basic law, and it is curtailed next year. That, in turn, leaves still more acreage for nonbasic crops and that increases the total American production. The acreage reserve part of the soil-bank program would go down the same road of paying the farmer to take out acres and leave him where he could take the money the Government paid him and buy irrigation equipment or buy more fertilizer and increase his production from the acres that he had remaining. No, my friends, the only justification for the acreage reserve, in my humble judgment, was to get some money in the hands of the farmers just before the election last fall to make up what the farmer had lost in farm income. Now, we may differ as to why the farmer lost his income, but if you will read the debate and the RECORD, and if you will see how the money was handled by the Department under the law, the only remaining basis for the acreage reserve part of it, in my humble opinion, was a case of trying to get some money in the hands of the farmer just before he voted in November 1956. And, I stand on that statement.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ARENDS. Now that the gentleman has made what he considers to be a completely nonpolitical statement, let us get along to the soil-bank plan and the possibilities involved therein. In March of this year, this House refused, and completely in error in my opinion, the opportunity to permit to go into effect the soil-bank plan for corn for 1957 under an increased base-acreage plan. You cannot tell me—and I think I know something about the corn situation—that had the soil-bank plan been effective for the crop year 1957 where the

farmer preparatory to going into the field under this corn-acreage program would have substantially, very substantially, reduced his corn acreage, which would have ultimately brought about the very condition that we want—at least as far as the commodity of corn is concerned wherein we would have begun to solve the problem.

Mr. WHITTEN. Let me say this: If the corn bill sponsored by the gentleman from Illinois had become law it definitely would help the farmers in the corn area for 1 year. What it did was to give the farmers in the commercial corn area about 7½ million acres of corn at a high support level. In addition, it would have given the same farmers \$225 million in cash. If we, who represent the farm areas do not wake up and realize that we are ruining the farmers by giving them money for nothing and making him dependent upon the type of corn bill that the gentleman is in favor of. It would have helped him for 1 year, because he would get 7½ million acres or more at a high support level. But, in addition, the Congress would have given him \$225 million in cash. It is unsound, and it is unsound for the corn farmer or any other farmer.

I stand for farm programs that are sound. I want farm programs to help the farmers to help themselves down through the years and I am not in favor of a farm program that will be a handout to the farmer in an election year, an off year, or any other year. Every time we have left the farmers dependent upon an annual handout by the Congress, we have hurt his standing with the rest of the American people and we have not solved his problem. I will say this to my friend, if you had gotten your corn bill, I would have been opposed to the same thing for the cotton farmer in my area or for beef or for any other kind of program of having any restriction on the production of other feed grains. The total production of feed in this country would have been greatly increased. That is one of the fallacies, as I see it, in the Secretary's program.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. TABER. I am wondering what the gentleman would propose that we do about farm legislation. It seems to me that this idea of trying to fasten the blame on somebody is a sort of fishing excursion, but it does not get us anywhere. I wonder what the gentleman would suggest that we ought to do.

Mr. WHITTEN. The gentleman should read my report. I do not plan to be led off of my individual answers to it.

I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to say to the gentleman from Illinois [Mr. ARENDS] that he seems to be unaware of the fact that the soil bank for corn has been and is now in operation, and under the program now in operation more than 4½ million acres of corn has gone into the soil bank. The bill that the gentleman complains about having been

defeated was nothing more nor less than a bill to increase the acreage of corn from 37½ million to 51 million acres, and it did not even contemplate an overall reduction in the production of corn. Last year we paid \$179 million to the growers in the commercial area and ended up with an increase in the overall production of corn. What we complained about was that the Secretary of Agriculture was unwilling to deal with corn on a nationwide basis, and disregard the commercial area and permit the law to function in the noncommercial area.

Mr. ARENDS. Mr. Chairman, would the gentleman care to yield to me now or later?

Mr. WHITTEN. I think I had better proceed at this time.

Mr. ARENDS. I have a good answer for the gentleman from North Carolina [Mr. COOLEY], but I will put it in the RECORD a little later.

Mr. WHITTEN. I think it is time we began to make some changes, as I see it. I believe it is time we quit blindly being opposed to present policies because your Secretary happens to be there. On the other hand, it is time that those on my left quit blindly supporting bills without looking at the facts.

I would say to my friends on the left, you have mimeographed copies of a letter that the Secretary sent down to me this morning, taking exception to some parts of the report. Read it and you will find he is agreeing with a lot of the other parts of it.

Do not defend him beyond the point where he would defend himself. If you will read my report, he has said that he has learned that controlling production is not the answer; and yet, the soil bank is offered on the basis that controlling production is the answer.

Then he points out that after 4 years of price and acreage control, after great increases in research and extension, the farmers had their greatest production from the smallest acreage in 20 years.

Not only that, he says further that we need some changes made. If he has gotten around to that point, I would certainly deplore to see my friends on my left stick to their guns in view of the record which the Department has made.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. DIXON. With regard to the statement with regard to research being one of the permanent solutions of our problem, the gentleman is aware, I am sure, that we have two kinds of research: We have production research which possibly has brought about much of our surpluses; then we also have utilization and marketing research which definitely is one of the answers to disposing of more agricultural commodities.

The gentleman is aware, is he not, that the President's Commission on Utilization Research has made recommendations? We need to stress that.

Mr. WHITTEN. I have lived with this thing for about 12 years. I will say that perhaps there are things that need more research, but certainly research has re-



sulted in greater production from less acreage.

I would like to direct the gentleman's attention to our report on the Advisory Committee on Research. For 10 years now these advisory committees have devoted their efforts toward proposing and selling new research with new people, and none of their time has been spent reviewing how the hundred or so million dollars that we have been spending was being used.

May I say to the gentleman that much of what is suggested in the recent report of the Commission is already being done by the Department, and the report does not even show any awareness that they knew it was being done.

In the matter of farm income we ought to have some new approaches. I say to you the trouble 4 years ago was that farm income was down. The trouble today is that farm income is down worse.

The farmer's income is volume times price less cost. You can have all the research in the world, all the county agents in the world, all the Secretaries of Agriculture, and all the Congressmen, and if the farmer's volume times his price less his cost does not leave him any money, he is going to be against your sending him some more agricultural representatives to call on him and tell him what he ought to do.

Mr. DIXON. Mr. Chairman, will the gentleman yield further?

Mr. WHITTEN. I yield.

Mr. DIXON. The gentleman would not oppose research which would result in making rubber out of wheat and thereby consume great quantities of an agricultural commodity. The gentleman would not oppose the research that is now going on in Philadelphia where they have used animal fats. Does the gentleman know that the animal fats market has been stolen by the detergents and stolen through other ways? Now research is needed in the matter of use of animal fats and establishing a much greater market for them.

The gentleman would not object to the commercial development of penicillin. It was done in our laboratories there, and it is worth more than all the money we have spent on research in the history of the United States. I can go on and point out 110 other items where this research definitely shows one way out of our agricultural problem, and a permanent way, not a stopgap method like our support prices.

Mr. WHITTEN. May I say to the gentleman that I have been here 14 years as a member of this subcommittee and I have supported funds to do each of the things the gentleman was talking about for many years. The Committee went along with the Secretary to increase funds for experimental stations since 1952 by 133 percent and we have increased education 56 percent. That is a record of support of these things.

Let me say that research is sound in its own right, extension is sound in its own right. But, Mr. Chairman, they are not any substitute for farm income.

Let me point out another solution that was offered. I refer to the rural development program to help the low-income

farmers. But let me describe who your low-income farmer is in the South, and this is true all over the country. He is the farmer that 4 years ago had 38 percent more cotton acreage than he has now. The Department cut that acreage down. In the South that low-income farmer is the farmer that 4 years ago received \$15 more per bale for his cotton than he is receiving after 4 years under the present administration. His income is low, and anybody should realize that a 38-percent cut in his acreage and a \$15 cut per bale of cotton might have made him an uneconomic farmer. It might have made his income low. If you want to help that man, help his income.

What did the Department do? What did we do? The Department recommends with a lot of fanfare that was abroad all over the country rural development. We are going to throw all the king's horses and all the king's men behind him to help this low-income farmer.

Now, we had the following facts reduced to print from the Department records. You have 9 agencies of the Department of Agriculture getting hundreds of thousands of dollars to help that poor farmer. You have 6 other Department agencies in there and, listen to this: We spent over \$2 billion in 57 counties, over \$36,000 per county, expanding rural development to help the low-income farmer. If you had 15 agricultural agents come by your house, after they had cut your acreage from 10 to 6 and cut the price of your cotton \$15 a bale, you would get so sick and tired of seeing agricultural agents that you would write your Congressman, and I have been getting some of those letters.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. VURSELL. When I heard the gentleman talk about rural development I thought he said urban redevelopment. I would like to call his attention to the fact that while we talk about spending a little money for rural redevelopment, this House last week passed a bill providing for urban redevelopment \$150 million more than Mr. Cole testified they wanted, which boasted the urban development or renewal of development up to \$2,350,000,000. So if we should spend a few dollars, one hundred and ten or one hundred and fifteen million dollars or a few million dollars extra for rural redevelopment, it would be a pittance compared with the waste of money that this Congress has put into the urban renewal development program.

Take the big cities, take the mayors all over the country, they all came up and asked the Congress and everybody to surrender so that they could get their hands in the grabbag for hundreds of millions of dollars more, added to the hundreds of millions of dollars that they already have. I thank the gentleman.

Mr. WHITTEN. I thank the gentleman. I do not want to get led off on what might be wrong or good in other areas. In my judgment there is enough wrong in the area that is my primary responsibility that I am talking of this

afternoon. But, it was not the total cost. It was the fact that this cost is not directed toward meeting the objective. And, I say advisedly that of that many people, the \$36,000 worth, it has done us some good. Some of these farmers may have attractive daughters; some of these agents may be single men; it may lead to romance; it may lead to a lot of things. But, that \$36,000 per county in 57 counties is not going to put money in the farmers' pockets in the average county nor in that county to any great extent, because the farm income is down, and that is the point I am addressing myself to now.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Missouri.

Mr. BROWN of Missouri. I notice in the report where in 1957 there would be approximately 9,300 more employees in the Department of Agriculture than there were in 1956 and that the 1958 estimates want 4,656 more. Now, does the gentleman think that additional employees in the Department of Agriculture will make up that declining farm income?

Mr. WHITTEN. Well, I would direct the gentleman's attention to page 2 of our report in which we point that out, and it is hard to determine exactly the number of employees in the Department, because some of them are seasonal. We have lots of acreage measurements in the summer and other activities in the fall and still others in the spring, so it is variable. But, to the best our staff was able to determine, on an average the Department has about 83,000 employees. And, we make this significant statement: "While there is a real need to improve farm conditions, it does not appear that the need can be met by adding more employees."

And, I should go ahead and point out that there are some other problems. If you are going to continue the acreage reserve and the soil bank operations with this hundreds of millions of dollars in it, somebody is going to have to ride herd on it. Certainly somebody should have been riding herd on it last fall when this occurrence happened that I have just described to you. Not only that, but we have increased the number of soil conservation districts. We have certain other activities. So I say there are other problems.

But I am leading up to this: That by rule of thumb what your committee did was to say that the situation is serious. "We have had 4 years of following your views, Mr. Benson. It is time that you and us got together on these things. It is time you recognized the result of your own policy that we were good enough to give you a trial run on." Then we said—and I believe it is sound in these times and circumstances—"Knowing that your problems are great, having 83,000 employees, we think, if we give you next year the same amount of money that you had this year, you ought to feel pretty good." By rule of thumb, we have eliminated the increased amounts in the budget. Then when it comes to the soil bank, we have tried to go along



with every dollar that the Secretary thought he could use in the coming fiscal year.

Now, you doubtless will be told that they have commitments, and some of you may get messages from the Department to this extent, that they have \$615 million signed up in acreage reserve. It is our information that they will not have that much due in the next fiscal year, and therefore the \$600 million which we have is enough to carry out all contracts, in our judgment. I would say, as laxly as this program was handled last year, under a lax law by the administration, under pressure just before the November election, they could have had a little bit of a tiedown and holdback last year, and it might have resulted to the best interests of the taxpayer, the Government, the Department, and the farmer.

This thing of paying a man more than his land is worth not to farm that land, not to grow anything; this thing of paying a farmer soil-bank payments for land that he in turn was renting from the Government and letting him pick up the difference—certainly we have had enough of these things and this program of how much money to give somebody in that kind of a program. We have tried to squeeze that out.

Of course, I would say this: That as to any contract the Government has entered into we have got to pay that. The figures in this bill represent our idea of the acreage. As to the increasing needs that you have in watersheds and things of that sort, with the floods we have had, we have felt that by grouping all of the soil-conservation activities we could meet those increased needs as spelled out in the budget. But by putting the administrative people together we could do the same job better and do it cheaper than we could if we had 3 or 4 crowds of people handling virtually the same things in pretty much the same areas.

Mr. ARENDS. Mr. Chairman, would the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. ARENDS. We are pretty much talking about water over the dam. What I should like the gentleman to do before his time expires is to tell us what he thinks we should do for the future with respect to an agricultural program. What can we do as to a long-range plan, starting with our legislative committee to solve some of these problems? What should we do? I hope the gentleman will discuss that some before he leaves the floor.

Mr. WHITTEN. Mr. Chairman, I hope the gentleman will read my report.

Mr. ARENDS. I have.

Mr. WHITTEN. Because I do address myself in the report to that subject. I speak as an individual.

But let me say that there is no easy solution to a problem. At least, I have never found one. Let us remember that there have been 14 freight rate increases since World War II. There has been an increase in wages to a dollar an hour, by law. There is the matter of bargaining rights of labor unions. There is the matter of the Federal Government

increasing purchasing by spending \$80 billions with 50 corporations for military expenditures in the last 5 years alone. Those are things that we have done by law that increase cost to the farmer. With all those things I do not know that there is any easy solution.

But the records show that if you want to produce income, you have got to give attention to three basic things. Income, again, is the volume that the farmer produces times the price he gets, less his cost. I would hope in some way to hold costs down. I am sure many of the Members feel the same way. It is my observation, after 15 years of experience with this, that if you held costs steady, you would have to be lucky. If you are able to hold costs on an even keel, you will be fortunate. But let us say we are fortunate and we hold costs on an even keel. You want to help farm income. That leave two things to work on his volume and his price. That is just as simple as crossroads store costs.

Therefore, personally, I would quit trying to control world production by cutting down the American farmer, because the record shows that every time you cut down his production, that production just moves overseas.

I would quit trying to control American production by acreage, because as you cut a man's number of acres, he buys irrigation machinery, he buys the finest fertilizer he can get, he demands that Congress increase research so he can get better seed, so that he can defeat the acreage limitation.

The records prove what I am telling you is so. So I would quit that. In other words, I would feel that I had to give the farmer protection in price. I would limit what quantity the Government would protect him on in that price. Then I would leave him free to produce on his farm anything on which he did not get support from his Government, which would be available for world commerce. That is my personal belief.

I have given a great deal of thought to this. I am sure Members from the farm areas have done so, too. It is the domestic allotment plan. It offers the best solution that I can conceive. But believe me, this is serious enough so I would welcome anybody else's views. Where you say I am just talking about what is wrong, and I am, I am showing that we have tried out the solutions offered by the Secretary, and the income is down \$2.5 billion. The thing is getting worse and worse and worse. So I say I am willing to take the views of the gentleman from Illinois, if he has any, or anybody. I would buy a pig in a poke if it is something that has not proven to be bad.

Mr. HALLECK. When did we have in our agricultural legislation the first legislation that undertook to reduce acreage allotments?

Mr. WHITTEN. It is my recollection it was 1933 or 1934, and I pay respect to that provision in this bill.

Mr. HALLECK. First of all, I commend the gentleman for recognizing that there is trouble in agriculture. Those of us who come from agricultural areas know that to be true. I commend the gentleman for saying that we ought

to find the answer, but having regard again to the constant repetition of the 4-year business, I got here first in 1935 and I think almost every year since I have been voting for farm legislation and obviously my party was not in control. I had never heard of Ezra Benson at that time. The basic act under which we now operate is the 1938 act. So do not put the blame on Secretary Benson for these acreage controls, because they were written into the law of the land by Democrat Congresses year after year after year, and he has had to live with them.

Mr. WHITTEN. The gentleman says he congratulates me for recognizing the farm situation is bad. I do not think I deserve any credit for recognizing that. Then the gentleman says he commends me for recognizing we need to do something about it. I do not think I really deserve any credit about that, because that is so apparent. What the gentleman objects to is my offering you my solution to it.

Mr. HALLECK. Oh, no.

Mr. WHITTEN. And the evidence that I have as to the fact that present policies are not working. Let me read the gentleman my report.

Mr. HALLECK. I have read it very carefully, and the gentleman has outlined his program.

Mr. WHITTEN. I just question whether the gentleman read it carefully. Let me point out why. On page 5 I say acreage controls are ineffective, so the gentleman was not surprised just then when I said that acreage controls had proven ineffective.

I want to read my report. I wish the gentleman's time was not taken up with so many things that he could not read it closely, because if he will read it he will find our belief expressed the acreage controls are ineffective.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield for clarification? Is the gentleman referring to the committee report?

Mr. WHITTEN. I wrote the report and every member of the subcommittee read it. It is significant that not a Republican on it filed any minority views. I think that is significant. The Secretary sent down his personal minority report today, but it is significant that not a Republican on the committee filed minority views against it.

I do want to say to my friend from Indiana that in my report I did attempt to be fair and discuss all of this problem. On page 5 we said:

#### ACREAGE CONTROL INEFFECTIVE

Part of the trouble lies with the agricultural laws passed in 1933, which except as to price support levels, largely govern present farm programs. At that time the United States produced such a large share of the world's supply of basic commercial crops that it was felt that regulation of United States production would regulate world production. At that time it was believed that cutting United States acreage would control United States production. Provisions for such actions were included in that law. Time and experience have shown that these provisions have not been effective since, as United States acreage has been reduced, world acreage has increased. Further, as



United States acreage has been reduced each year, the American farmer has increased his yield per acre through more intensive cultivation and increased use of machinery, fertilizer, and insecticides.

One of the more serious aspects of the reduction in acreage each year is that, as the farmer has increased his production per acre, he has made further cuts in his acreage for the next year under the formula contained in the present law, freeing more acreage for production of other farm crops. Further, current programs are encouraging the farmer to exploit his land, which runs counter to the long-range soil conservation objectives of the Federal Government.

The report is available to all of you. I have honestly tried to point out that the situation was bad 4 years ago. For the past 4 years we have tried solutions and the situation gets worse. I have given you what I think the records and time prove are false policies followed by the department. In addition, I tried to show you the defects in the law which time has proven to exist in the law, in my judgment.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. HALLECK. I would just like to observe for my colleagues here that the gentleman has departed from his normal fair attitude when he said that I had not read the report. I will say this to the gentleman. I have read the report and I can quote a lot of it verbatim. The reason I asked the question about acreage—

Mr. WHITTEN. May I interrupt the gentleman to say that if the gentleman will read my remarks, he will see where I said I regretted he had not read the report carefully.

Mr. HALLECK. Well, you finally amended it to that degree. You do not have to know what you are talking about when you get up here, but it helps once in a while. I read the report enough to be able to quote a lot of it, as I said.

Mr. WHITTEN. The gentleman said he knew from experience that it helped when we got up to talk to have learned your subject, and that it is better that way.

Mr. HALLECK. That is right.

Well, now, may I say that I read this report. I resent the suggestion that I had not read it because when I get up on the floor of the House, generally I know something about what is before us, and when you recite the record, you used the words "for 4 years" time after time after time. I just want the record to be clear that many of these problems that you are talking about and the things that you say are wrong have been in the law for years and years and years. So, I insist, as I have insisted all along that Secretary Benson and the administration inherited the major part of this program and all of your talk here is not about the money appropriated in your bill, and referring to the amounts appropriated therein, but is undertaking to somehow or other try to shift the blame for the situation in which agriculture now finds itself.

Mr. WHITTEN. May I repeat, and I have to say this because I hold my friend from Indiana in the highest regard—I did say that I was sorry he had not had

the time to read the report carefully. The gentleman, I am sure, has to say grace over so many things.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. WINSTEAD. I would like to say this in behalf of my colleague, the gentleman from Mississippi. The gentleman has been fighting these battles for a number of years. If the gentleman from Indiana will read the RECORD, he will see where the gentleman from Mississippi was critical of Secretary of Agriculture Brannon under the Democratic administration. Further, the gentleman from Mississippi did not go for Mr. Henry Wallace.

Mr. WHITTEN. I thank my colleague from Mississippi, who has always supported sound farm legislation. I must say to my friend, the gentleman from Indiana, in view of his statement and I must say that I do not believe he has listened to me closely either because I would like to repeat what I said, which is considerably different from the way he took it and understood it. The situation in agriculture was serious 4 years ago. The campaign was run on the basis that it was serious in 1952. I know that a lot of folks would like to forget that Mr. Benson has been Secretary of Agriculture for the last 4 years. But he has been Secretary of Agriculture for the past 4 years. He has offered certain solutions. I have enumerated and set forth these solutions—1, 2, 3, 4 that he has offered. We as a Democratic Congress, did go along with him so far as voting for the money to implement his proposed solutions are concerned. What I am saying is that after 4 years of offering these solutions, the situation is worse. Now trying to be fair, I pointed out that it is not all his policy. I said the situation was bad when he came in. I say that some of the defects come from the original law and that time has proven that those defects exist. But, whoever the man is and whatever party he belongs to—you won the election last year and that is over with—but if a man has had his day and if his proposed solutions do not work, then I say it is the better part of wisdom and of valor for you folks to find it out and make corrections in the law because the farmers know what the situation is so far as their income is concerned. More county agents, with all due deference to the wonderful job they do, is not a substitute for dollars at the market place. I would like to point out one other thing. I am trying to tell you what I honestly think is wrong.

This administration and the Secretary have said that what the farmer needed was price at the market place. That was the justification for reducing price supports. Let the farmer get his price at the market place. The farmer can get his price at the market place. All he has to do is to cut production down to the point of creating a scarcity, and he could get 150 percent price at the market place. But if he cut production down to the point of creating scarcity and getting 150 percent of parity, it would certainly injure every consumer in the United States. Not only that, but the farmer's

volume would be cut to the point that the low volume multiplied by 150 percent of parity would leave the farmer's income worse than ever.

May I say again, my solution would be—and I speak for myself only—my solution would be to support the farmer at parity on his share of the domestic market, so that he could produce and sell in the world market for whatever his product would bring. The Secretary has always had that right. It took us 3 years of urging to get him to do it, and now he is very proud of it.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BELCHER. I have read your suggestion for a new farm program, and it seems to me that it coincides completely with the two-price system for wheat that a great many of us have been trying to get through for a long time.

Mr. WHITTEN. The object is the same.

Mr. BELCHER. In other words, it is the same system?

Mr. WHITTEN. The same thing. I do not believe the farmers of this Nation can continue to pay constantly increasing costs brought about by other laws, without a degree of protection in the law itself. That protection should be on his share of the domestic market. Do not put it on acres, because you defeat yourselves right at the start.

I do not criticize the people who wrote the law in 1933. I want to address myself to one other statement. I have spent a lot of time discussing conditions in agriculture. Why? Because what you do in agriculture will show up in appropriations. How well you handle it will show up in appropriations. Because United States production was held off of world markets by the Department of Agriculture for as long as 8 years, in which time it deteriorated, and we paid storage on it, there are \$500 million in this bill. Yet the law permitted such sales but the authority was not used. Because price supports were reduced the farmer increased the volume to make it up, and you have got money in here to restore the impairment of the capital of the Commodity Credit Corporation. Because the Secretary thought that the rural development in 57 counties was a partial answer to the farmer's problem, there is \$2 million in this bill. Because the Secretary thought that research was the answer, there is 133 percent more money for research at experiment stations than 4 years ago. Because the Secretary thought more extension workers was the answer, there is 56 percent more in this bill for extension than 4 years ago. This is true though the bill is held down to the present year's operation. We cannot say, with 4 years' experience, that we could go along with constantly increasing these things which have not proven to be the answer in 4 years. In this bill we have held the Department to this year's level, by and large.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.



Mr. TABER. I have been asked a great many times by many Members to find out what was in this report with reference to Soil Conservation Service; the Great Plains program, the agricultural conservation program, and the conservation reserve soil bank. They appear on page 35. I think the membership should be told what is done for them at that point.

Mr. WHITTEN. The committee consolidated those various items. We did it for two reasons: The work administratively to a large degree is the same; that is not true of the Soil Conservation Service, but in the other activities it is practically the same. We had 40 new soil conservation districts; we had this Great Plains program, and we had thousands of people, particularly in the Texas area where these disastrous floods have been happening in the last few days and weeks where the local people were ready to start with their share of money to expand work on watershed protection and flood prevention.

The committee felt that by consolidating the conservation reserve program with these other programs—and the report so expressed it—that by reason of giving them this large amount of money now that the Department would be able from the total funds to carry out the budgeted amounts for these programs where there was an increasing need. As I tried to say earlier, that is the one place and the only place where we have varied from sticking to this year's level; and in that instance by grouping all of these together, counting on the Department from the total fund to carry out this increasing need and meet the needs of this new program, at least to budget levels, we were able, as the gentleman from New York will recall, to cut the total some \$133 million.

At the same time we expressed the hope that by proper handling in some of those areas where the needs are most acute, where the threat of flood is greatest, and where the local people had waited the longest and had their money ready, that the department might step up that work from the total amount available even beyond the budget. In a way that is the course the committee followed.

Mr. TABER. There is no definite figure set.

Mr. WHITTEN. The report says that from the total amount the department should be able to carry out the budgeted amount. We did not line item each of these programs but set out in our report directives as to the course to be followed.

Mr. TABER. Not for each one of the items, of course.

Mr. WHITTEN. They should be able to.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ARENDS. Does the gentleman contemplate going to the legislative Committee on Agriculture of the House and attempt to convince them of the idea that something should be done?

Mr. WHITTEN. This report, as the gentleman will notice—may I say I have never written legislation on an appropriation bill yet that I did not clear with the leadership of the Agriculture Com-

mittee; and not only that but they advised me to do it. Not only that but I have also maintained in this committee that we were making a mistake in this acreage reserve.

But as we work with this thing on the Appropriations Committee year in and year out we see things that we think the membership both of the House and of the legislative committee at least should know about, at least that they should know what we think about them, and that is what we have done here.

May I say to the gentleman that I am working now on the fourth draft of a bill which I plan to introduce which will go to the legislative committee for whatever it is worth.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I am sorry; I should have yielded to the gentleman earlier. Certainly I yield.

Mr. BROWN of Missouri. May I say to the gentleman from Mississippi that he has contributed a great deal of constructive thinking to legislative matters pertaining to agriculture particularly.

The only thing I disapprove of in connection with this appropriation we are being called upon to deal with today is the allusion by the gentleman from Indiana and other Members on the floor that the expansion of the soil bank is basically the same agricultural program that Mr. Benson inherited from the previous administration. It is a statistical fact that there are fewer farmers in the United States today than there were 4 years ago or even 3 years ago, or even 2 years ago; in my section of Missouri people have been driven from the farm in droves because they could not make a living. If that is true I ask why it takes 10,000 more employees to administer the same program with fewer farmers participating than it did? Here we are increasing the payroll. It cannot be explained by just saying that the soil bank and new activities explain it, because I would call attention to the committee's hearings and report in which they state that there are some 2,200 people involved in administering the soil-bank program.

Mr. WHITTEN. Will the gentleman permit me to interrupt him. It could be that the worst the situation gets the more people it takes to explain it.

Mr. BROWN of Missouri. To explain it but not to correct it.

Mr. WHITTEN. That is what we say.

Mr. BROWN of Missouri. Of the 4,656 new employees requested by the Department, only 600 of them will be working in the soil bank and the new activities of the Department. So it means 4,000 additional employees for old activities administered to fewer farmers in the United States.

Mr. WHITTEN. May I say that our general policy has been, and I repeat it again, with the exception of consolidating the soil activities so as to meet the increased needs with regard to soil, and I say this frankly, we have stuck to this year's level. We felt that was fair to the Secretary, we felt that was fair to the Department, we felt that was fair to the taxpayer. As a result we have a

reduction of \$272 million in this bill from the budget.

The CHAIRMAN. The gentleman from Mississippi has consumed 1 hour.

(By unanimous consent (at the request of Mr. WHITTEN) he was allowed to proceed for 5 additional minutes.)

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. COAD. Could it be that the answer to the question asked by the gentleman from Missouri is that it takes more employees, or at least there are more being requested by the Department of Agriculture, and inasmuch as it has been stated that the farmers ought to leave the farm and go to the city for employment, they are showing up at Mr. Benson's doorstep?

Mr. WHITTEN. There are many answers. It is a problem.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. SPRINGER. I have listened to the gentleman for all of the hour he has been speaking and I want to be sure I understand what he believes the basic philosophy ought to be to improve the farm program. As I get it, it is that we ought to guarantee prices and restrict acreage. Is that the general philosophy of the gentleman's argument?

Mr. WHITTEN. No; it is the opposite of that. I feel that of necessity since so many costs to the farmer are built into law you must give the farmer protection in price on his share of the domestic market. I think time has proven that we should not try to regulate his production by acreage.

Mr. SPRINGER. There should be no limitation on acreage?

Mr. WHITTEN. On acreage. We should limit how much of his production we support.

Mr. SPRINGER. Does the gentleman believe there ought to be a price support?

Mr. WHITTEN. I do, and may I repeat that again.

Mr. SPRINGER. How much should that be?

Mr. WHITTEN. I think he ought to have full parity on his share of the domestic market.

Mr. SPRINGER. Will the gentleman explain clearly what he means by his share of the domestic market?

Mr. WHITTEN. In the heat of discussion I may not have said there are some commodities where it would be difficult to do. I will offer the gentleman one suggestion. If I can point out the fallacies in the present policy and in the present law, I think I will have succeeded. If the gentleman offers a better answer I will buy his in a minute. But, in a nutshell, here is my point of view: You should issue to the farmers certificates for their share of the domestic market. You should see to it that the processor or the buyer should have certificates for whatever volume goes through his hands. If he bought from the farmer at the support price, he would thereby get a certificate for the farmer's share of the domestic market. If



he bought beyond that he in turn might have to buy certificates from the Commodity Credit Corporation which means you would have in the nature of a processing tax to insure the farmer his fair return on his share of the domestic market. That would doubtless require a support program. But if a processor had to pay for the certificates or stamps that he bought beyond the domestic market amount he, in turn, would be compelled to pay the farmer a fair price.

In other words, the farmer should be guaranteed, by whatever mechanics you can work out, a fair return on that part of his production which is sold for domestic use, and he should be turned loose to produce for the world market whatever he might wish to. I do not see any other solution. In a nutshell, it is the domestic allotment plan. Now, this is my view. Other Members may have different views. Let us not get away from the fact that present policies have failed, according to the record and according to the admission from the Secretary in our hearings.

Mr. SPRINGER. This is the gentleman's solution, what he said here in the last few minutes?

Mr. WHITTEN. That is the best I can conceive of, and I will meet with the gentleman as soon as debate is over and if he can offer me a better one, I will buy it. And, I know when the present one will not work, I could almost buy a pig in a poke, instead of leading down the same road we are following which shows a drop in the farmers' income of \$2.5 billion in the last 4 years.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. AVERY. I want to make sure I understand the gentleman's explanation to the gentleman from Illinois on these soil and water items. As I understand, you have put those all into one general heading.

Mr. WHITTEN. That is right.

Mr. AVERY. And you have not made line items of any program except the acreage reserve?

Mr. WHITTEN. We have not, except that in our report we point out that from the total amount of money that is allotted, ample funds are provided to carry out these increased needs for those programs and we say they should have priority.

Mr. AVERY. Then will it be the prerogative of the Secretary to allocate funds among the various programs to the extent that he deems in the best public interest?

Mr. WHITTEN. No; only in line with the report which says that from the funds he should be able to meet these increasing needs spelled out in the budget.

Mr. AVERY. Is he expected now, as soon as the 1958 fiscal year begins, to allocate those funds among the various programs? I do not quite see how this is going to work unless we have some firm basis to start from. How are you going to allocate money among the various programs? Take the ACP, for instance.

Mr. WHITTEN. That is separate. There is \$250 million for ACP, and we think it is sufficient.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WHITTEN. Now, we have provided for the gentleman's problem. Now, it could be that the House may change it.

Mr. AVERY. I am trying to understand it. I am not debating it.

Mr. WHITTEN. We have provided to meet this increasing need, and we did it the way we thought best.

Mr. AVERY. The gentleman referred back to this increasing need, and he referred to Texas, which we all understand. I presume you are referring to the whole upstream Flood Control Act. Is that correct?

Mr. WHITTEN. I repeat again that the committee report is a directive to the Department to carry out these programs, and I think if the Department listens to the committee, it will be done.

Mr. AVERY. It is a directive, but there is still some flexibility left within the Department, is that not correct?

Mr. WHITTEN. Not unless they wish to ignore the directive of the committee.

Mr. AVERY. I am confused, and I am further confused than when I asked the question. But, I will not use further time of the House.

Mr. WHITTEN. I regret that the gentleman ends up in that position.

Mr. AVERY. That is all right.

Mr. WHITTEN. But again I repeat, these programs have increasing and new needs, and the committee recognized that. We held everything else down to this year's level. By putting those programs, watershed protection, flood prevention, soil conservation, the Great Plains program, together with the conservation reserve, we were able to cut down the total amount of money for all of them, but we did say that with the money we provided that there were ample funds to carry out these programs to the amount which the budget requested. And, the Department cannot misunderstand that directive; I mean, I do not see how the Department could.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. BONNER. I merely want to congratulate the gentleman from Mississippi on leading this splendid debate. This is the finest discussion I have ever heard on the agricultural problems in many, many years. I compliment the gentleman on his vast knowledge. It was of interest to all of us.

Mr. WHITTEN. I especially appreciate the kind remarks of my friend from North Carolina for he has always been interested in and worked for sound farm programs.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. JENSEN. I just want to make sure that I understand a few things in the bill. Now, out of the \$535 million for conservation operations, do we understand that \$73,149,500 is for soil-conservation service?

Mr. WHITTEN. Does the gentleman wish that amount reduced?

Mr. JENSEN. That is, for the distract programs.

Mr. WHITTEN. May I repeat what I just said. Is the gentleman interested in this program? And, I know he is.

Mr. JENSEN. I certainly am.

Mr. WHITTEN. I just said that we have provided for that in our report.

Mr. JENSEN. I did not hear the gentleman. I am sorry.

Mr. WHITTEN. I just said that to my friend from Kansas.

Mr. JENSEN. Do we understand there is \$25.5 million for watershed protection?

Mr. WHITTEN. I would repeat again what I just said, that the committee felt there were increasing needs in these fields, as evidenced by the budget. In regard to other items in the bill, we cut them down to this year's level. In an effort in these cases to let them expand to meet their needs, we pooled them into a total amount and said that from that fund the department shall do these things. If the gentleman wants to offer amendments to cut that down, he may do so. But we have tried to meet the problem.

Mr. JENSEN. I am certainly not going to offer amendments to cut down these important functions which I think are very necessary. I think this is the best money we spend in the whole agricultural program.

Mr. WHITTEN. I know my friend believes that, and I am in agreement that it is one of the most vital things in the bill. But everything in this bill is vital to some area. May I repeat that the committee has provided funds and said in the report that from the funds available, the committee felt it was possible to carry out the budget recommendations in these particular fields. I do not know how you can make it any plainer than that.

Mr. JENSEN. Is it a fact, then, that there is \$73,149,500 in this bill for the Soil Conservation Service?

Mr. WHITTEN. We did not provide a line item on that in the bill. We did say that with the total amount that they had there were funds available for doing these things. That is all I can say.

Mr. JENSEN. Then the gentleman cannot say definitely that there is \$25,500,000 in the bill for watershed protection?

Mr. WHITTEN. May I say to the gentleman that that is what we did say.

Mr. JENSEN. And \$13,200,000 for flood prevention?

Mr. WHITTEN. From the total funds made available for the total program.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.



Mr. JENSEN. Mr. Chairman, I ask unanimous consent that the gentleman may be allowed to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. If the gentleman will yield further, on page 24 of the report, in reference to funds for the expansion of State-operated tree nurseries, the committee reports that the amount for this purpose during the coming year will be small.

How much of this appropriation that is included in this bill is for the expansion of State-operated tree nurseries?

Mr. WHITTEN. We did not put any monetary limitation on it. If the gentleman will read further in the report, he will see what we said. I do not find the place at the moment. We had a great deal of objection to the fact that the Government was going out and trying to give money to various States to produce seedlings where it was said plenty existed. We had many objections based on the fact that in many areas of the country the local nurseries had ample seedlings which they could sell at fair prices. We felt, in view of that showing, that the Department should survey the whole seedling production program and limit themselves to providing seedlings only in those areas where seedlings were not available by private enterprise at fair prices. That is as far as we could go. The gentleman will find that in the report. I wrote the paragraph in the report, and I know it is there.

Mr. JENSEN. Just one more question, if the gentleman will yield further. How much money has the committee allowed for transfer to States to cover their cost of production of tree seedlings?

Mr. WHITTEN. I have just stated that we have not set any amount. We have put that provision in the report, which the gentleman will find if he will read the full report. The gentleman understands we do not line-item everything in the Department. We never have and there is no line item on it. We just say that the need does not exist to this large extent that they first thought it would. Therefore, in view of the fact that the showings to the committee were to the effect that in many areas of the country there were ample seedlings to meet the need available at fair prices, we directed the Department before carrying this on to survey the problem, limiting Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at fair prices.

Mr. JENSEN. As I understand the report, there is \$4.5 million to advance to the States certain costs that the States could not meet. How much of this item did the committee allow?

Mr. WHITTEN. We did not act on it as a separate item.

Mr. JENSEN. I am greatly concerned about these items because I do not want anybody in the Department to go playing around with soil-conservation funds, which we all know are very important,

and transfer them possibly to some other department. Would it be possible for them to do that?

Mr. WHITTEN. What we did here, if I may say to the gentleman, was to help the cause that he espouses, and certainly not hurt it. I think they are much better off under what we did than they would have been had we done it any other way. The gentleman will just have to rely on what I have told him. I told him why we did it, what we meant, and what they can do about it.

Let me read from the report about this nursery issue:

The budget included \$5 million for transfer to the Forest Service for the expansion of State operated tree nurseries. In view of the reduction in the funds for the overall soil and water conservation activities, the amount for this purpose during the coming year will be small. The committee believes that adequate seedlings should be available for the conservation reserve program. However, in view of the slow rate at which landowners have signed up and the fact that in many areas adequate supplies are available at reasonable prices from nurserymen, the committee directs that the Department make a new survey of the need for such nurseries and limit Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at reasonable prices.

I just do not know any more the committee could do.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BROWN of Georgia. I want to congratulate the gentleman on the splendid statement he has made. I know of no one in this House who has done more and who has tried to do more for the farmer than the gentleman from Mississippi. I understand everybody on both sides of the aisle knows the plight of the farmer, and I believe everyone wants to help the farmer. I do not think this is a partisan question.

I have always been against the two-price system, but I think now it is the only solution we can have for the farmer. I believe the two-price system now would be the best thing we can find as an approach to help the farmer.

Mr. WHITTEN. I thank my friend from Georgia who has himself contributed so much to agriculture.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield myself such time as I may consume and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Chairman, from the observations that I have made during my 19 years in this great body I have discovered one thing: Both sides of this House are vitally interested in the welfare of agriculture. Neither side has a monopoly on the feeling that we should have as prosperous an agriculture as possible. The only dividing line between the half dozen different segments in this House is how to reach our common objective which is a prosperous agriculture. It is from that

viewpoint that I approach personally the problems dealing with agriculture.

I should like to spend a few minutes in my opening remarks today in appealing to the urban Members, the big-city Members of the House, in an attempt to show them where their interest lies relative to this appropriation bill.

If I achieve that purpose in any small degree, I will be well repaid for my efforts. I do hope that we can consider this particular appropriation for agriculture upon its merits and upon its merits alone and try to hold down the controversy as much as possible. Let us try to do that. I believe by following such a course of action, we will get what we need in this great body—a final majority of opinion as to what is best for agriculture. It was a disappointment to me personally last spring to see nothing done in behalf of the million corn farmers in our great Nation. Sectional differences unfortunately arose in the debate. That points up the fact that it is only by doing the very best that we know how that we can arrive at a satisfactory, and, as I said, a majority opinion that will help us solve the problems relating to the greatest of our industries which to me is agriculture.

Mr. Chairman, we are presenting for consideration of the House the agriculture appropriation bill.

There are only a few of us in the Congress who are actually farmers ourselves, and the farm population has shrunk to the point that only about 1 out of 9 of our people live on farms today. We are a minority about whom few nonfarm people are seriously concerned. We are an abused minority accused of receiving many special privileges which we not only do not receive but which, if we did, would still leave us on the low rungs of the national economic ladder. We are a minority widely scattered throughout the land. If we were concentrated in a few States, I am sure there would be great clamor to improve our economic status, just as we have heard our neighbors from New England speak at length about the difficulties of the watch and textile industries. As it is, we see a low-income farmer living virtually next door to a high-income factory worker and we hear more complaint about the "high cost of food" than we do about the low income of that farmer.

Today, our situation is compounded. We are faced with an economy wave in the Congress, which in my personal opinion is long overdue, and we are also confronted with a greater lack of public understanding of the agricultural situation than I can recall in my almost 19 years in the Congress.

An editorial in the May 4 issue of the Wallace's Farmer, a Midwest farm publication, points up our problem. Let me read part of it to you:

Ever since last January, when the new budget was unveiled, there has been an increasing outcry against farmers and farm programs. This outcry should have been answered, promptly and sharply, by Secretary Benson, but it wasn't.

One day the Wall Street Journal suggested that the new budget would be used to "keep the price of food and fiber high." Yet 9



days before, a House Agriculture Subcommittee had shown that while retail food costs were up 16 percent since 10 years ago, prices paid to farmers had dropped 14 percent.

I am going to take a few minutes to explain the true relationships between this bill and our farm people.

The Midland Cooperator in an editorial dated May 6 aptly described the agriculture budget in the following terms:

It covers everything from money which is loaned out—and repaid by farmers with interest—to grants from the Federal Government to help local schools and to feed hot lunches to children. There is little relationship between supports for farmers' income and many of the items in the budget—though each item has broad public benefits involved and benefits farmers as much as any other citizen.

#### USDA BUDGET INCLUDES NONFARM PROGRAMS

Let us run quickly through this bill and see how much of the proposed budget is primarily for the benefit of nonfarm people.

Take first the Agricultural Research Service for which the committee recommends \$121,016,598. A major portion of that money will be devoted to research of great value to the general public. Look at the statement by the Administrator on page 380 of our hearings. He points out that insecticides and weed-killers developed by the Department are now used by most homeowners. Penicillin and streptomycin, wonder drugs which have saved countless lives, came from agricultural research. The program to eradicate brucellosis in dairy cattle protects the public from undulant fever. Development of mosquito and fly control measures protects the public from these pests.

Look at the item of \$16,586,000 for meat inspection. There is not a dime's worth of subsidy to farmers in that program; it is for the sole benefit of consumers. If you look around, you can find meat without that USDA stamp on it, but you as a consumer want to see it on your steak or your roast for your own protection. This is another consumer program charged to the farm budget.

Then look at the \$29,753,708 item for State experiment stations. This includes a wide range of home-economics research of value to every housewife in America. You will find the results of this research being followed in home-economics classes in every State in the Union, as well as in hospitals, public institutions, restaurants, etc.

#### EXTENSION SERVES GENERAL PUBLIC

There is an item of \$58,621,540 for the Extension Service, and I would not be surprised if most of our colleagues thought: "Now there is a purely farm program for the exclusive benefit of farm people." Nothing could be further from the truth. Why, I understand that even the city of Baltimore has a home demonstration agent under this program and that she is one of the busiest women in Maryland working with city housewives on their homemaking problems. I have not seen any national statistics on the subject, but I have seen reports showing that in many, many areas the home demonstration agents actually devote a

majority of their time to nonfarm women and the attendance of farm women at home demonstration meetings is definitely in the minority. Valuable publications on housekeeping, cooking, food processing, dressmaking, and a host of other subjects released by the Extension Service are much in demand in nonfarm households. Urban residents all over the Nation look to county agents for information on lawn care, gardening, and a variety of services. In many county offices of the Extension Service you will see every day more city dwellers coming in for advice and publications than you will ever see of farm people.

The extension service is rendering a monumental service to farm people, but it is also rendering a very large measure of service to nonfarm people and you should keep that in mind in the consideration of this item in our bill.

Appropriation of \$129,476,600 is proposed for the Agricultural Marketing Service. From that designation you might assume that here was another purely farm item, but look closely at that figure. A round \$100 million of that is for the school-lunch program, one of the most popular programs ever devised for the young people of this Nation. The whole purpose of that \$100 million item is to help provide substantial, well-balanced school lunches for our children who represent the future of this Nation. Farmers benefit to the extent that their children participate, but in the main this is another purely nonfarm program.

Look at the balance of that overall item—does anyone think that is all for the sole benefit of farmers? It includes inspection of food to assure clean, sound and wholesome products for human consumption. Do you think the USDA grading or inspection label on a can of tomatoes or sack of potatoes sells more farm output? Not at all, but that label is there for the protection of the consumer and it is there for his benefit. When you go into a grocery store and you see a store layout which is a marvel of efficiency, you see fresh fruits and vegetables in farm-fresh condition, and you see dairy products displayed under refrigeration, do you ever stop to think that most of this was accomplished by the Agricultural Marketing Service of the United States Department of Agriculture? Important research, costing millions of dollars, is going on right now in that Service and the results will be for the benefit of food processors, retail establishments, and consumers.

#### CONSERVATION BENEFITS EVERYBODY

Then there is a fairly large item of \$535 million for conservation. I have made a number of speeches on this subject and I hope by now that every one of our colleagues realizes the critical importance of conserving our most valuable natural resources—soil and water. Let me give you just one simple illustration. In my Congressional District we have a hundred and fifty progressive villages and cities. Practically every one of them either has a water problem now or sees one coming.

Down in Nobles County we have the city of Worthington—the turkey capital

of the world. It is a beautiful city with great processing plants for the finest turkeys and other poultry in the Nation. It is a modern city of forward-looking people, and it is growing so fast that I note great change every time I go home. But their one big problem is water. There is a beautiful lake within the city limits, but silt deposits are coming into the lake faster than a tremendous dredge working 24 hours a day can pump them out. Do you know where that silt is coming from? It is coming from the farms in that little watershed, and it is depriving the city of Worthington of a priceless source of water for domestic and industrial use. Soil Conservation Service technicians verify that application of good conservation practices on the surrounding farmland can solve this problem for the city.

There is not a city in the Nation which does not have a present or potential water problem. The source of supply is limited. It falls first upon the farm, range, and woodlands of the Nation and there it either seeps into the ground to form our underground supplies or it runs off into the streams, lakes, and rivers from which we draw water to meet our residential and industrial needs. There is not a living thing which does not depend upon water for life, and every citizen of this Nation has a vital interest in the soil and water conservation work going forward in the rural areas of our land.

#### FOOD BEST FOREIGN AID

The remaining large items in the bill are this \$843,076,238 to reimburse CCC for various non-price-support programs, and the \$1,239,788,671 to restore the capital impairment of the Commodity Credit Corporation. If anyone thinks I have at last come to a purely agricultural item, let me quickly disabuse your mind of that. Six hundred and thirty-seven million dollars of the eight hundred and forty-three million dollars represents shipments of agricultural commodities to other nations under the Public Law 480 program. We are wisely, in my judgment, making our surpluses available to hungry people in other lands. In so doing, I believe we are making more lasting friendships for the United States than with all the so-called foreign aid we could devise. However, this vast shipment of food to our friends abroad is for the advantage of all our people and the costs should not be properly charged to the farm program.

Time does not permit a detailed discussion of this question, Mr. Chairman, nor the citing of countless examples of programs for the primary benefit of nonfarm people in this agriculture appropriation bill. But let me once again remind my colleagues from the urban centers of this Nation that much of this expenditure is in behalf of their constituents.

To summarize, there is a \$100 million for a public school lunch program. There is a \$16,586,000 item for meat inspection for the consuming public. At least two-thirds of the money we are devoting to research is for the public good, and at least one-third of that for conservation. Add to that almost one-



third of the money for CCC and you will surely see that this bill carries funds just as vital to nonfarm as to farm people.

The headline writers of the great newspapers of our Nation refer to this as the farm appropriation bill, but I would suggest that a more accurate designation would be to call it a bill to finance essential programs and services for the producers, processors, handlers, and consumers of agricultural commodities. In addition to that, we have the services and facilities for the manufacturers and distributors of equipment and supplies necessary for farm operation.

Let us look at this bill in its true light, Mr. Chairman. Let us weigh the costs of these agricultural programs in the proper perspective of their actual value to all the American people. If we do that, then I am sure there will be no sectional attacks made on this bill by our colleagues from urban districts. This bill is important to every citizen in our land, and it is deserving of objective consideration.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Ohio.

Mr. VORYS. I want to congratulate the gentleman for explaining to those of us who represent predominantly urban districts the many details in which this bill is for the benefit of city folks as well as farmers. I want to say that I have a predominantly urban district, but I think I use for my constituents as many copies of Family Fare, the Agricultural Department's cookbook, as any Member here and I think I probably distribute my share of the so-called agricultural bulletins, which are of interest and of benefit to those in the cities as well as in rural areas.

Mr. H. CARL ANDERSEN. I thank the gentleman and may I say that through the years I have observed that the gentleman from Ohio has always been very broadminded in his outlook upon this particular type of legislation.

Mr. VORYS. There is one more comment I would like to make. While this so-called Agricultural Department bill carries benefits for everybody in the Republic, and not merely for the so-called farm bloc, yet there are other pieces of legislation that benefit agriculture although they have other purposes. The gentleman mentioned foreign aid. I want to remind the gentleman and our friends from the farm areas that the biggest farm surplus removal program in our history has been the \$16 billion of surplus agricultural products distributed abroad through the foreign-aid program. It has had its benefit in aid to our security and in carrying out the other purposes of our mutual-security legislation. It has also been of enormous help to the American farmer.

Mr. H. CARL ANDERSEN. I thank the gentleman for his comments.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. I want to compliment the gentleman for a very nice statement. I have never heard a better one.

Mr. H. CARL ANDERSEN. I appreciate that.

Mr. CHRISTOPHER. I wish the gentleman would emphasize a little more before he leaves the floor the fact that when dried milk or any other commodity is withdrawn from the Commodity Credit Corporation to be used abroad or to be used in our school-lunch program or for our indigent people all over the United States, the Commodity Credit Corporation receives no credit for that withdrawal. It shows up as a loss and it is charged up in the newspapers and in the press of the country as a loss to supporting farm prices.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct. I do hope that the newspapers of this Nation will do their utmost in fairness to the farmers of America in putting the picture before the people of America as it really is. We of the farming areas are, of course, very glad to have the opportunity to be able to provide food which goes abroad to help us maintain friendships throughout the world. I reiterate that in my opinion, from what I have observed in the Near East, we can make more lasting friendships throughout the world by providing food for hungry stomachs, especially for the children of the people out there in the Near East. All through that region where they can utilize great quantities of food we can make for the people of America far more friends by doing that than by a good many of these programs which we have undertaken under the guise of foreign aid.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Florida.

Mr. MATTHEWS. Mr. Chairman, I would like to thank the distinguished gentleman for the splendid statement he has made. I have not been a Member of Congress for so many years, but I want to say to the distinguished gentleman that I have always found him to be a very wise man in his understanding of the problems of agriculture. I would like to join my colleagues on both sides of the aisle in saying to him "Thank you for this very excellent statement."

Mr. H. CARL ANDERSEN. I thank the gentleman sincerely.

I would like to conclude, Mr. Chairman, by simply expressing the hope again that we can consider this bill today and tomorrow with a minimum of partisanship and make every possible effort to arrive at the proper solution. We all want to do what is best not only for agriculture but for the balance of the Nation.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Utah.

Mr. DIXON. I appreciate what the gentleman has said, especially in the interest of the farmers. We hear so much about the inefficiency of the farmer and that if he were efficient, he would not be

in this situation. I just happened to run upon the facts that the distributors and the marketers of our farm commodities have increased their personnel costs 33 percent since 1940, and yet we have one-fourth less farmers than in 1940 and we are producing far more than we did at that time. In other words, does it not appear to the gentleman that the farmer really deserves a great amount of credit for his productivity and that his productivity and diligence are more than outstripping the productivity and diligence in some other fields?

Mr. H. CARL ANDERSEN. I agree entirely with the gentleman. The unfortunate part of the whole thing is that there is a price-cost squeeze now upon the farmer who produces the food for the Nation. The farmer is steadily—and the facts show it—receiving less and less for what he produces. On the other hand, he is paying more and more for everything that he buys; labor, machinery, and everything else, for the production of that same food. The farmer is now receiving only 40 cents out of every dollar spent for food in this Nation, whereas not too long ago he received 53 cents, and that spread, Doctor, is disturbing to me, because I do feel that it is upsetting the balance which we must maintain in this country between all segments of our economy. Farmers are getting short-changed and it is a national responsibility for us to correct that inequitable condition.

Mr. DIXON. I thank the gentleman.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from West Virginia.

Mr. NEAL. I certainly appreciate the gentleman's remarks, inasmuch as they give us an idea of the many avenues through which the farm program is reaching the people throughout the whole United States for their general good. I fully recognize that appropriations that tend to do this very thing, all of the appropriations that have been mentioned here, are thoroughly justified, but I understand from listening to the remarks of our friend from Mississippi, in the colloquy between the gentleman from Mississippi and the gentleman from Indiana, there was a very general admission that there is something wrong in the Department of Agriculture. Now, I wonder what that is. Is it appropriations, lack of appropriations, or what?

Mr. H. CARL ANDERSEN. Doctor, might I say, if you will permit, that I have urged as little controversy upon this particular bill as possible, and I leave to the gentleman from Indiana and the gentleman from Mississippi their respective opinions. I am just expressing my own. If the gentleman would like to ask me about my particular opinion on any part of this bill, I will be glad to give it to him.

Mr. NEAL. Then, let me ask the gentleman this question. We all feel very much inclined to do something for the little fellow; do we not?

Mr. H. CARL ANDERSEN. Absolutely.

Mr. NEAL. Both sides of the House.



Mr. H. CARL ANDERSEN. Yes.

Mr. NEAL. And we have heard that from time to time. The way that program is reacting now, from the standpoint of price supports, which evidently has a great deal to do with the problem that exists now in agriculture, we know that a large part of the productive farm problem—that is, supports—goes to about six major articles of farm production, and we know that those products are produced by perhaps 7 million of the 165 million or 170 million people in this country.

I wonder how we can justify subsidizing big farm producing agencies, whether individuals or corporate institutions, by supplying them with windfall price supports and great profits at the expense of the taxpayer who has to pay to store that product in the storage places of the Nation and also at the expense, if you please, of the people who have to buy the product eventually.

Mr. H. CARL ANDERSEN. I think the gentleman has asked a question he would like me to answer and I shall answer it in this way. In the first place, price supports, if properly administered, are not a subsidy program. As I stated earlier in my address, there are probably 12 or more opinions in this House as to the best thing that should be done for agriculture. The gentleman has mentioned the little man. I commend him for that expression of concern. I have proposed in a bill on which I testified before the Committee on Agriculture this spring, a program which I consider to be in the best interest of agriculture with particular emphasis on the small producer. Personally I am not nearly as concerned with what happens to the very large producer as I am with what happens to the average, family-type farmer. I do think Congress through price supports—and I do not mean any 70 percent or 75 percent price supports, but 90 percent price supports—should take care of the average family-size farm production. That is my stand. I reiterate, my concern is for the family-type farmer. The big commercial operations are a different proposition, but I do think for the good of America and for the basic welfare of agriculture that we in the Congress should consider what is best for the average family-sized farmer and the farm programs should be written and administered in his behalf.

To accomplish that I have asked the Congress through the Committee on Agriculture to consider something along this line; that we guarantee 90 percent price supports on 4,000 bushels of corn; or to a producer of cotton on 25 bales of cotton; or to a producer of wheat on 3,000 bushels of wheat. I have suggested, and it is a matter of record, that as the urgently needed first step to restore agriculture to its proper economic position. That is my concept of what Congress should do.

Let us see what good effects would flow from protecting the family-size farm. We come again to the big producer in whom I have said I have less interest. I have a certain degree of interest in him. My primary interest is in the small fellow. But by putting an umbrella of 90-percent protection—I mean a good, solid

umbrella so that it does not go below 90 percent of parity—we protect our agricultural economy. After all, parity is a fair figure. I am not asking for 100 percent of parity, as the gentleman from Mississippi [Mr. WHITTEN] has suggested. I am inclined to agree with him, but I think a realistic figure, a more workable figure so that the products are not sold to the Government in their entirety on this family-sized farm, would be 90 percent of parity. But let us come back again to the question as to what good this would do the average man, or the other farmer, including myself, who produces perhaps more than 4,000 bushels of corn. The fact that half a billion bushels of that corn produced in a crop of 3,400,000,000 bushels in this Nation is protected by a minimum of 90 percent support would mean that the corn that I produce above that 4,000 bushels on my farm would come up to perhaps 15 cents a bushel beneath that umbrella. We only have to protect a minor portion of the total crop to afford an important measure of protection to the whole farm economy. It would help the entire agricultural economy. I claim that the same will be true of the cotton situation, the tobacco situation, and the wheat situation. That, in a few words, is my conception of what we should try to do in the Congress of the United States, not only for the farmers of America, but for the good of our entire economy.

Mr. NEAL. Inasmuch as a large portion of the excess that is produced in this country is derived from the production of the big commercial farmers, and inasmuch as that production is stored away and there is so much excess, may not that be one of the prime factors that cause many of the people on the smaller farms to fail to remain on their farms and produce as they should? Does the gentleman not feel that after all this high price support system is doing the little farmer more harm than it is doing him good? Does not the record of the last several years since this program has been in operation show that increasingly year after year the small farmers are leaving their places of production and going to the urban areas for employment?

Mr. H. CARL ANDERSEN. I cannot agree that a moderate support, of 90 percent of parity, which we had for years on our basic farm commodities, did anything but good. I am at variance entirely with the Secretary of Agriculture because I conceive that the 90 percent of parity price support is not what has caused the trouble with agriculture. I cannot accept his dogma on that subject. I might answer the gentleman's question this way. I agree with Secretary Benson in his wish that agriculture be left as much freedom as is humanly possible from any governmental regulation. I certainly would not want to be party to saying to any group of our farmers, "You cannot have any protection whatsoever." I believe that all segments of agriculture would receive some benefit from the program I have in mind.

Mr. NEAL. The point I make is that our surpluses are due to high price supports.

That high commodity price supports determine the relative high costs to the consumer.

That stored surpluses produced by corporation farmers disarrange the family size farmer from attempting to compete with commercial farmers and therefore tends to leave the farm for urban employment leaving formerly prosperous rural communities thinly populated.

It is unreal to think rural communities can improve their lot when larger commercial farm product producers oversupply the market and pass the greater part of their products to the Federal Commodity Credit Corporation.

This entire program of high supports simply prospers a very small minority of the American population at the expense of a large majority who are compelled to pay the cost in their taxes and the prices they pay for farm commodities.

Mr. H. CARL ANDERSEN. May I suggest to the gentleman, and any others who have been led to believe that so-called high commodity price supports determine the high costs to the consumers, that closer study be made of the statistics of our agricultural economy. In the last 5 or 6 years, for example, farm income has dropped almost one-third. In that same period, the farm parity index has dropped from 113 percent of parity to 80 percent. Now, look at consumer prices. Did they go down proportionately? Not at all. They went up.

Today, while farm commodity prices are near their modern-time low, consumer food prices are near their high for the same period. These statistics are very revealing, and they reveal the fact that farm commodity prices do not at all control consumer prices. It is shocking, but true, that as producer prices were forced down the food industries between producers and consumers simply absorbed the difference.

One of the great regrets of all the arguments over farm programs is the fact that far too many conscientious people have been led to believe that so-called high farm prices mean higher consumer prices. If lower farm prices have not meant lower consumer prices, how can anyone say with certainty that the reverse would be true?

Finally, the index of consumer prices shows that food is still about the biggest bargain in the family budget. Last February, the food index was 113.6; the rent index was 134.2; transportation was 134.4; and other goods and services stood at 124. Consumers are getting a bargain in food, relatively speaking, with the consumer food index standing more than five points below the average for all items in the cost-of-living price index.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Kansas.

Mr. AVERY. I want to compliment the gentleman on his expression of views on farm legislation. They are similar, at least, to a graduated parity bill I have had pending before the Congress ever since I have been a Member.

Mr. H. CARL ANDERSEN. I know the gentleman has had that bill pending.



Mr. AVERY. I cannot understand why the gentleman cannot get consideration for that type of legislation for the small farmer. You hear a lot of talk about it, but when you try to get action you cannot get a hearing before the committee.

To get to more tangible things, the gentleman pointed out things that were directed to the benefit of groups other than farm groups, specifically the home demonstration agencies and the county agents. Would the gentleman have any idea how much this bill could be reduced if those amounts were assessed to the proper other Government agencies, such as Health, Education, and Welfare?

Mr. H. CARL ANDERSEN. I would not care to give the gentleman such an estimate for the simple reason that I would oppose any such reduction. I would not want to take away from the urban people any of the benefits which we on the farms obtain from those valuable programs.

Mr. AVERY. I would not want to take it away, but I just hate to see the Agriculture Department charged up with all these items that go to the benefit of other groups.

Mr. H. CARL ANDERSEN. The gentleman perhaps did not hear me previously, but I did state that there is at least \$1 billion in this bill which redounds almost entirely to the benefit of urbanites.

Mr. AVERY. No; I did not hear that figure. That is the one I wanted to get pointed out.

Mr. H. CARL ANDERSEN. I thank the gentleman.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Iowa.

Mr. COAD. First I should like to associate myself with the stand of courage that my friend from Minnesota has taken in opposition to that which has been the philosophy of Secretary of Agriculture Benson. I appreciate the gentleman's stand for the family farmer.

Mr. H. CARL ANDERSEN. Let me correct the gentleman just to a certain extent. I have always said as far as the Secretary of Agriculture is concerned that he is a man of the highest integrity, that he is a good administrator, that he has many splendid ideas in the field of agriculture such as extension, watershed protection, research, marketing, and soil conservation. My only point of real cleavage with him is on his ideas as to price supports. That is where I differ definitely with the Secretary of Agriculture.

Mr. COAD. I compliment the gentleman on his stand of courage.

May I refer to an Associated Press dispatch that was on the wire just a short time ago:

Assistant Secretary of Agriculture Marvin L. McLain said today the administration-sponsored flexible price support system was "oversold" because its weaknesses were not clearly foreseen.

The basic philosophy of the system is a wrong philosophy.

I am sure the gentleman recognizes the fact that I have spent over half of my

life on the farm. When it comes to farm situations, I will stand with anyone in trying to do that which is best for the farmer, and more especially the family farmer. I appreciate the gentleman's very fine remarks.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. BREEDING. I would like to join with the gentleman and say that the gentleman from Minnesota [Mr. H. CARL ANDERSEN] has made a wonderful speech here today. I am from Kansas and I am heartily in agreement with what the gentleman has said.

(Mr. NEAL asked and was given permission to extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Missouri, chairman of the Committee on Appropriations [Mr. CANNON].

Mr. CANNON. Mr. Chairman, one of the most persistent and most misleading propaganda campaigns ever waged is the effort to pressure the Congress into enacting the second Hoover Commission recommendations. I doubt whether there has been a day in the last 2 years in which the mail has not brought letters urging adoption of the Hoover recommendations. And since the receipt of the \$72 billion budget, the total number received runs into the thousands.

Practically every metropolitan paper in the United States has carried editorials and syndicated columns giving the Commission reports and the extravagant claims made for them the widest circulation. The people have been led to believe that literally billions of dollars can be saved annually and taxes correspondingly reduced if only the recommendations were adopted.

The record of the Hoover Commission recommendations is interesting and affords some basis for assessing the validity of some of the highly advertised economy claims made for them and the immediate economies to be effected through their application.

#### THE FIRST HOOVER COMMISSION

Created by Congress in July 1947, the first Commission submitted its final report in May 1949. This first Commission concerned itself chiefly with the reorganization of departments and agencies and their relations with each other. Its proposals are described by the Commission as having been directed to "removing the roadblocks to more effective organization and to the reduction of expenditures."

Economy and efficiency was the overriding theme of the body of the recommendations submitted and a number of the proposals were adopted, but with no significant saving or retrenchment.

It might be said in this connection that numerous plans and systems are proposed at every session of Congress guaranteed by their proponents to save the Government fabulous sums. All of them are given a hearing and frequently one that seems to have some merit is given a tryout. I do not recall at this time any which have justified economic expectations. Almost invariably they cost more than they save. The present Hoover

Commission recommendations appear to be no exception to that rule. At least they have brought about no appreciable saving. As the Director of the Budget stated in the hearings before the Committee on Appropriations of the House on January 24, 1957, when the effect of the Hoover Commission recommendations was under discussion in connection with the 1958 budget:

It is absolutely impossible to prove a saving.

Instead of retrenchment and simplification, Federal spending trends have consistently increased since their approval, without apparent effect or influence resulting from adoption and application of the recommendations. It is difficult to imagine savings of the billions promised which could not be demonstrated.

Federal budgetary spending since the first Commission reported follows:

|  | Billions |
|--|----------|
| 1950 -----                                       | \$39.6   |
| 1951 (war year) -----                            | 44.1     |
| 1952 (war year) -----                            | 65.4     |
| 1953 (war year) -----                            | 74.3     |
| 1954 -----                                       | 67.8     |
| 1955 -----                                       | 64.6     |
| 1956 -----                                       | 68.5     |
| 1957 estimate (\$70.1, including highways) ----- | 68.9     |
| 1958 estimate (\$73.6, including highways) ----- | 71.8     |

#### THE SECOND HOOVER COMMISSION

The second Commission was created by Congress in July 1953 and submitted its final report in June 1955. It was an expensive agency. It spent \$2,848,534 and it employed as many as 525 personnel at one time.

The first Commission had been limited to reorganization suggestions but the second Commission, among other activities, was directed to include studies of policies of the Government and elimination of duplication and nonessential activities.

Quoting from the final report of the second commission—page 19:

The primary purpose of the Commission was to recommend methods by which savings could be made in the expenditures of the agencies of the executive branch without injury to the security or welfare of the country.

In view of this primary purpose, as stated by the Commission itself, it has been somewhat surprising that the Commission carefully avoided enumeration of specific estimates of savings that might flow from its recommendations.

But it did not hesitate to prominently list, under the heading "Possible Savings in Federal Expenditures," the savings estimated by its numerous task forces, running into billions of dollars, although it hastened to add that any total of such savings would be an overestimate. There would be some overlap in the several task force estimates, it said. But the Commission concluded on this note:

In any event, with all such discounts, there are enough possible savings left to enable the balancing of the budget and reduction of taxes.

This is a sweeping statement of opinion, wholly unsupported by any data submitted by the Commission in any of



its reports. The impressive savings suggested by the task forces and subsequently advertised have elicited widespread and continuing interest, with result that the public generally has accepted the figures as Commission estimates—even though the Commission pointedly failed to corroborate the figures. A comprehensive report issued recently by the Senate Committee on Government Operations—Report No. 95 of the 85th Congress, "Action by the 84th Congress on the Second Hoover Commission Reports"—includes this statement:

While these documents prepared by the various study groups form the main basis for the Commission reports to the Congress, the Commission did not in all instances agree with the recommendations of its task forces, subcommittees, and study groups. Many of its recommendations are based upon the experience of the members of the Commission plus independent research by the Commission staff.

Nor were the 12 members of the Commission themselves in complete agreement upon all 20 of the Commission reports. Most of the reports contain dissents, separate statements, or reservations by one or more of the Commissioners. These were directed usually not to a Commission report as a whole, but to specific recommendations therein.

So, contrary to widespread popular belief, the Commission was far from agreement as to the wisdom of some of these suggestions. But that has not deterred the dissemination of the wholly unsupported propaganda.

#### ALLEGED \$4 BILLION SAVINGS

Probably the most vociferous demands that the Congress take action have to do with changing the appropriations procedure to what the professionals call the accrued expenditure basis. This book-keeping bonanza is the key feature of a series of suggestions carrying a \$4 billion expenditure reduction tag—or about half of the combined total of all the specific savings listed by all the Commission task forces. But when you disregard the unsupported conclusions and read the fine print of the Hoover Commission's final report, you will not find a single specific saving claimed by the Commission.

The Hoover Commission quoted from its task force as follows:

The benefits which would result from improved financial management cannot be calculated with any degree of precision but we believe the resultant dollar savings could reasonably be expected to amount to \$4 billion, which is approximately 8½ percent of the controllable budget expenditures.

Mr. Chairman, this is the gist of the matter. This is the genesis of all the public enthusiasm engendered by this fantastic claim. But it is as phony as a 3-dollar bill. It admits the savings "cannot be calculated with any degree of accuracy"; it merely professes a belief that savings could reasonably be expected to amount to \$4 billion annually.

The Commission advanced a number of budget and accounting reform ideas. The Congress adopted some of these last year, but it rightly refused to adopt the key provision because it is the most im-

practicable and expensive of the lot. Perhaps no one, either in or out of Government, is today better qualified to pass judgment on the validity of this \$4 billion claim than the present Director of the Budget, Mr. Brundage. His entire background has concerned accounting and budget matters. He occupies a key position in putting the Federal budget together—he is chief architect of the spending side of the budget. And he has endorsed the Commission recommendations. But what is Brundage's opinion as to the validity of claimed savings? Here is his opinion—and it is devastating. Here are quotes from hearings of the Committee on Appropriations on June 18, 1956:

Mr. CANNON. I would be glad if the Director would tell us how they propose by this change in the budgetary system to make a saving of \$4 billion annually.

Mr. BRUNDAGE. The chairman of the task force, Mr. CANNON, said that he had estimated that \$4 billion by taking 8½ percent of all the controllable expenditures per year and quite frankly I would rather not express an opinion on either the computation or how they got it.

Mr. CANNON. That is what we are anxious to have you do. You know a saving of \$4 billion annually is a very impressive objective. I would like to know how you propose to save \$4 billion by this change in the system.

Mr. BRUNDAGE. I would not say we would save \$4 billion in this way. I think it will save money and give better control but I have never been willing to estimate what any savings would amount to. It is too intangible.

Mr. CANNON. This idea has been sold to the country. I am getting letters asking "Why do you not adopt this plan and save \$4 billion every year?"

Mr. BRUNDAGE. I avoid mentioning any savings in any testimony or correspondence I have on the subject.

Mr. CANNON. I am not differing with you. I am not objecting. I merely want more information on the subject.

Mr. BRUNDAGE. I feel satisfied that we will save several million dollars.

Mr. CANNON. Several million?

Mr. BRUNDAGE. Yes.

Mr. CANNON. There is a great difference between several million and the \$4 billion advertised. The fact that you are satisfied does not necessarily satisfy us.

This testimony from an ardent supporter of the Hoover Commission report ought effectively to lay to rest the wholly absurd claim of savings of \$4 billion. The Budget Director says he never has been willing to say there would be any savings—it is too intangible. But even more persuasive is the view of the gentleman from New York [Mr. TABER] who, from long experience on the Committee on Appropriations, had no trouble in quickly and accurately sizing up the fallacious and preposterous dimensions of this proposition. He has unequivocally opposed the suggested change, perhaps not so much on account of the absurd claim of expenditure reduction but more because it would mean an automatic return to the use of granting contract authority, a procedure abandoned generally some years ago. The Congress found from hard experience that contract authority costs the taxpayers more money in the long run. In this

respect, the present system is much to be preferred.

#### EXECUTIVE BRANCH ACCEPTANCE

From the constant deluge of mail coming to the Capitol each day, it apparently is not generally known that many of the Hoover Commission recommendations have been adopted by the executive branch and by the Congress. The President more than once has enthusiastically praised and endorsed the Commission's work. There is apparently an intensive and continuous program in the executive branch to accept and put into effect and to propose legislation where necessary on the great bulk of the proposals. In a progress report released by the White House October 15, 1956, the accompanying executive staff memorandum to the President contains this statement:

It is already evident that the Hoover Commission has made a great contribution to economy and efficiency in Government and that many of the recommendations contained in the report will, over a period, produce substantial savings.

Significantly, the memorandum points out that the Commission itself did not attempt to estimate savings. It does not supply any specific evidence to support the statement that economy and efficiency have resulted. Bearing in mind the primary purpose of the Commission, namely, "to recommend methods by which savings could be made in the expenditures of the agencies of the executive branch without injury to the security or welfare of the country," the ever-increasing budget spending trend leaves room for serious doubt as to the efficacy of many of the recommendations adopted and affords grounds for challenging the contention that economy and efficiency is already evident.

The October 15 report referred to above statistically shows the status of acceptance and implementation in the executive branch. Following is a condensed summary taken from that report:

#### Acceptance and implementation in executive branch

|  | Number | Percent |
|--|--------|---------|
| 1. Status of acceptance:                                     |        |         |
| (a) Accepted entirely or with minor modification.....        | 189    | 39.4    |
| (b) Accepted partially or as to basic objective.....         | 124    | 25.9    |
| See 2 (below) on this total accepted.....                    | 313    | 65.3    |
| (c) Not accepted.....  | 57     | 11.9    |
| Decided to date.....   | 370    | 77.2    |
| (d) Not decided:   |        |         |
| (1) Decision contingent on future study or developments..... | 33     | 6.9     |
| (2) Still under review in White House.....                   | 76     | 15.9    |
| Grand total.....   | 479    | 100.0   |
| 2. Status of implementation of those accepted:               |        |         |
| (a) Implemented.....   | 70     | 22.4    |
| (b) In process of implementation.....                        | 123    | 39.3    |
| (c) Implementation not yet started.....                      | 91     | 29.1    |
| (d) Legislative action still required.....                   | 129    | 9.2     |
| Total.....   | 313    | 100.0   |

<sup>1</sup> Executive branch has proposed and supported legislation on 22 of these.



Mr. Chairman, this is a revealing tabulation. The executive branch has implemented 22.4 percent of those it accepts; has in process of implementation 39.3 percent; and has accepted in substance but not started 29.1 percent. At that date, 57 recommendations had been rejected by the White House. Economy claims to the contrary notwithstanding,

the President's budget for 1958, the highest in peacetime history, proposes to spend \$3 billion more than in 1957; between five and six billion dollars more than 1956; and between seven and eight billion dollars more than 1955. Where are the claims of Hoover Commission "economies" adopted by the executive branch reflected in budget totals?

## CONGRESSIONAL ACCEPTANCE

The 84th Congress enacted 36 laws, 2 House resolutions, and 1 Senate resolution which put into effect about 55, or about 33 percent, of the 167 recommendations identified by the Hoover Commission as requiring action by the Congress in order to be made effective. Here is a tabulation:

*Bills implementing Commission reports which were enacted into law*

## SENATE BILLS

| Bill No.            | Public law | Title of bill   | Commission report                 | Recommendation No.                        |
|---------------------|------------|---|-----------------------------------|---|
| S. 654.....         | 88         | Extends program of direct loans to veterans for housing until July 25, 1957.....  | Lending Agencies.....             | 9.  |
| S. 890.....         | 660        | Vests primary responsibility for water pollution projects in States.....  | Water Resources and Power.....    | 1 (c) (in part).                          |
| S. 941.....         | 55         | Facilitates liquidation of Federal Farm Mortgage Corporation.....   | Lending Agencies.....             | 28 (in part).                             |
| S. 1871.....        | 705        | Simplifies computing of fees charged executive agencies for use of the United States mail.  | Paperwork Management, pt. I..     | 1 (task force 16).                        |
| S. 2061.....        | 68         | To increase the basic compensation of officers and employees in the field service of the Post Office Department.  | Personnel and Civil Service.....  | 8 (b).                                    |
| S. 2126.....        | 345        | To extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes. (Sec. 109 makes the Home Loan Bank Board an independent agency.) | Lending Agencies.....             | 2.  |
| S. 2127.....        | 268        | To amend the Small Business Act of 1953. (Sec. 13 extends the Small Business Administration for 2 years.)   | Lending Agencies.....             | 39 (b).                                   |
| S. 2236.....        | 538        | To amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with transportation of privately owned vehicles.   | Transportation.....               | 7 (a) (b), 10.                            |
| S. 3430.....        | 941        | To promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine (in the Public Health Service).   | Federal Medical Services.....     | 23 (in part).                             |
| S. 3481.....        | 828        | To amend the Foreign Service Act of 1946, as amended, and for other purposes.....   | Personnel and Civil Service.....  | Task Force 3 (task force report, p. 137). |
| S. 3768.....        | 852        | Includes the Department of Health, Education, and Welfare in sec. 158 of the Revised Statutes.  | Legal Services and Procedure..... | 31 and 32 (in part).                      |
| S. 3897.....        | 863        | To improve governmental budgeting and accounting methods and procedures, and for other purposes.  | Budget and Accounting.....        | 2, 4-7, 13, 14.                           |
| S. 3958.....        | 911        | To improve the health of the people by assisting in increasing the number of adequately trained professional and practical nurses and professional public health personnel, and for other purposes.   | Federal Medical Services.....     | 25 (b), 27; task force report, p. 75.     |
| S. J. Res. 199..... | 882        | To authorize an additional position of Assistant Director in the Bureau of the Budget.  | Budget and Accounting.....        | 10.                                       |
| S. Res. 285.....    |            | Provided for a study of the foreign aid program by the Senate Committee on Foreign Relations.   | Overseas Economic Operations..    | 1.  |

## HOUSE BILLS

|                     |     |  |  |   |
|---------------------|-----|--|--|---|
| H. R. 2576.....     | 16  | To further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before Apr. 1, 1958. (Amended to read "June 1, 1957.")  | Progress Report.....   | No specific number. (See p. 22 of Progress Report.) |
| H. R. 3322.....     | 61  | To amend the Federal Property and Administrative Services Act of 1949 so as to improve the administration of the program for the utilization of surplus property for educational and public health purposes.   | Surplus Property.....  | 8 (a) (d), 9.                                       |
| H. R. 3338.....     | 232 | Authorizes President to lease the Alaska Railroad to private interests for 55 years.   | Business Enterprises.....  | 13 (b).   |
| H. R. 4941.....     | 22  | To amend the Foreign Service Act of 1946, as amended, and for other purposes. (Task force recommended passage of "certain pending proposals to strengthen the Foreign Service.")   | Personnel and Civil Service.....   | Task Force 3 (task force report, p. 137).           |
| H. R. 5100.....     | 83  | Limits veterans' dental care to service-connected disabilities or conditions.  | Federal Medical Services.....  | 7.  |
| H. R. 5168.....     | 347 | Increases rate of retirement of Government capital in certain institutions operating under supervision of Federal Farm Credit System.  | Lending agencies.....  | 22.   |
| H. R. 6277.....     | 245 | To amend subsec. 303 (c) of the Career Compensation Act of 1949 relating to transportation and storage of household goods of military personnel on permanent change of station.  | Transportation.....  | 2.  |
| H. R. 6829.....     | 161 | Authorizes headquarters for the Central Intelligence Agency.   | Depot Utilization.....   | Task force legal recommendation (b).                |
| H. R. 7034.....     | 365 | To provide permanent authority for the relief of certain disbursing officers, and for other purposes.  | Intelligence Activities.....   | 1.  |
| H. R. 7035.....     | 334 | To amend sec. 1 of the act entitled "An Act to authorize relief of accountable officers of the Government, and for other purposes," approved Aug. 1, 1947 (61 Stat. 720).  | Budget and Accounting.....   | 19 (in part).                                       |
| H. R. 7227.....     | 655 | Authorizes donation of Government-owned surplus property for civil defense purposes.   | do.....  | 19 (in part).                                       |
| H. R. 7619.....     | 854 | To adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes.  | Surplus Property.....  | 9.  |
| H. R. 7855.....     | 971 | Extended authority to negotiate the disposal of surplus property.  | Personnel and Civil Service; Business Organization, Department of Defense, Research and Development..... | 4.  |
| H. R. 9428.....     | 497 | To provide for procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes.   | Surplus Property.....  | 12.   |
| H. R. 9429.....     | 569 | To provide medical care for dependents of members of the uniformed services, and for other purposes.   | Federal Medical Services.....  | 17.   |
| H. R. 9593.....     | 798 | To simplify accounting, facilitate the payment of obligations, and for other purposes.   | do.....  | 4 (in spirit).                                      |
| H. R. 10285.....    | 809 | To merge production-credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; and for other purposes.  | Budget and Accounting.....   | 21.   |
| H. R. 10368.....    | 801 | To amend the Civil Service Act of Jan. 16, 1883, so as to require that certain reports of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes. | Lending Agencies.....  | 17, 18.   |
| H. R. 12138.....    | 814 | Supplemental Appropriation Act, 1957. (Gives Bureau of Budget additional funds for salaries.)  | Personnel and Civil Service.....   | 24, 25.   |
| H. J. Res. 157..... | 304 | Establishes the Commission on Government Security.   | Personnel and Civil Service.....   | Task force report, p. 106.                          |
| H. J. Res. 256..... | 182 | Authorizes Federal grants for program of research on mental illness.   | Budget and Accounting.....   | 1.  |
| H. J. Res. 607..... | 608 | Provides for the disposal of the Texas City tin smelter.   | Personnel and Civil Service.....   | Task force report, p. 121.                          |
| H. Res. 118.....    |     | Authorizes the House Committee on Merchant Marine and Fisheries to investigate the necessity for continuing the Panama Railroad.   | Federal Medical Services.....  | 27 (in part).                                       |
| H. Res. 262.....    |     | Resolution that the Committee on House Administration or any subcommittee thereof is authorized to conduct a full investigation and study of federally operated printing presses.  | Business Enterprises.....  | 17.   |
|                     |     |  | Transportation.....  | 18.   |
|                     |     |  | Paperwork Management, pt. I..  | General objectives.                                 |



Mr. Chairman, these bills have been enacted through bipartisan action. No politics is involved. But the unvarnished truth is that while these recommendations have been adopted—and perhaps some of them have merit—budget expenditures continue to climb. Up to this point, all Hoover Commission recommendations adopted have, so far as can be definitely ascertained, been without effect in reduction of the budget. And the much advertised \$4 billion annual saving is, of course, an absurdity, a pure fabrication.

On October 15, 1956, the President stated:

A number of the most important recommendations require congressional action. With bipartisan support, a modest start was made at the last session of the Congress. I propose to transmit further specific legislative proposals to the next session of the Congress, and I am hopeful that these will receive the wholehearted bipartisan support which they merit.

As with all legislation, any Presidential proposals along these lines will be subject to recommendation by the legislative committees having jurisdiction. As to these, perhaps this paragraph from the statement of general dissent by one of the Commissioners sums up the situation:

With their sensitivity to public issues, their varied experience in legislation, their party obligations, and their public responsibilities as elected officials, the Members of Congress are better qualified to make policy judgments and to legislate for the national welfare than any 12-man commission.

Mr. HORAN. Mr. Chairman, I yield 20 minutes to the gentleman from Colorado [Mr. HILL].

Mr. CURTIS of Missouri. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Forty-eight Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 72]

|              |             |                |
|--------------|-------------|----------------|
| Allen, Ill.  | Gwinn       | Pillion        |
| Anderson,    | Hays, Ohio  | Powell         |
| Mout.        | Henderson   | Rains          |
| Ashley       | Hillings    | Rivers         |
| Ayres        | Hollifield  | Rodino         |
| Barden       | Holt        | Sadlak         |
| Barrett      | Holtzman    | St. George     |
| Beamer       | James       | Scherer        |
| Belcher      | Kearney     | Siler          |
| Bowler       | Kelley, Pa. | Smith, Va.     |
| Boykin       | Kilburn     | Spence         |
| Brooks, Tex. | McCormack   | Stauffer       |
| Buckley      | Mack, Wash. | Taylor         |
| Cole         | Madden      | Teague, Tex.   |
| Dawson, Ill. | Magnuson    | Teller         |
| Dellay       | May         | Utt            |
| Eberharter   | Metcalfe    | Wharton        |
| Evins        | Morano      | Wilson, Calif. |
| Fallon       | Morrison    | Wilson, Ind.   |
| Farbstein    | Murray      | Wolverton      |
| Fogarty      | O'Neill     | Zelenko        |
| Gross        | Passman     |                |
| Gubser       | Patterson   |                |

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7441, and finding itself without a quorum, he had directed the roll to be called when 351 Members responded to

their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Colorado [Mr. HILL] is recognized. (Mr. HILL asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to announce to the Committee that, so far as this side is concerned, it is our intention to proceed with the debate, at the conclusion of which the bill will be read to the point where the first amendment to the bill is in order; at which time we will move that the Committee rise.

Mr. HILL. Mr. Chairman, this afternoon we have heard mentioned in general debate a letter from the Secretary of Agriculture, the Honorable Ezra Taft Benson. I thought it would be a good thing, and I am sure it is, if we all could get an accurate idea of what was in that letter, and I am going to take this time to read it.

Following is the text of the letter from Secretary of Agriculture Ezra Taft Benson to the Honorable JAMIE L. WHITTEN, chairman, Agriculture Subcommittee, House Committee on Appropriations, regarding a report on the 1958 agricultural appropriations bill:

DEAR CONGRESSMAN WHITTEN: I have read with interest and disappointment the report issued by you on May 10 in behalf of the Committee on Appropriations of the House of Representatives regarding the 1958 appropriation for the Department of Agriculture and the Farm Credit Administration.

I am sorry to see that what might be expected to be a factual document contains so much argumentative and sometimes misleading material. It is both disturbing and confusing also to observe the amalgamation of the appropriative and legislative processes within the report of the Appropriations Committee. The establishment of limitations on the soil bank in future years is an attempt to legislate on farm policy before the program has been given a fair opportunity to succeed.

With two of the statements in the committee report I fully agree.

First, I am glad to note that the committee states that changes in the farm program are needed. My letter of May 2 and the accompanying document which was submitted to Senator ELLENDER provide a detailed analysis and discussion of the inadequacies of the old basic features of present legislation which has acreage restrictions as one of its foundation stones.

Second, I agree that acreage allotments have not controlled production.

It is true that acreage controls can, to a degree, restrict the output of a particular crop. But controls have had little effect on total farm production.

Last year, we had acreage controls in operation on all the basic crops. Yet total output reached an alltime record. Generally, when a farmer is restricted on acreage, he picks his best land, fertilizes heavily, uses modern methods, and increases the yield per acre. And he uses the acres taken out of one crop for the production of other crops.

With modern technology, acres are no longer an effective limit on agricultural production. The technological revolution is the new dimension in farm policy. This process is irreversible. A hundred years ago,

one farm worker in the United States fed himself and three others. Today he feeds himself and 20 others. The upward pressure of productivity has been going on for a long time but the revolutionary effects become explosive during World War II and have continued ever since.

It might be possible to work out regulations which would be stiff enough to really control production. But the evidence of 25 years is that farmers do not want such controls and the Congress will not enact them.

Controls have been watered down by law to such a point that they do not really control production. Even a cursory examination of the legal minimum acreage provisions for most of the basic crops reveals that these allotments will not overcome the effects of increasing production efficiency.

Even if controls worked properly for the allotment crops, which they do not, these allotment crops bring in only one-fourth of our farm income. Obviously we cannot control total production by controlling one-fourth of our output. This is particularly true since the law allows resources which are shifted out of the controlled crops to be used for the production of other crops.

I am glad to see in the report such fundamentally true statements as:

"The farmer, too, must have a fair return for his investment and his labor. However, he should have such a return from the market place instead of the Treasury.

"An entirely new legislative approach must be developed if the present conditions are to be corrected.

"Any new program which is finally adopted should let the farmer farm."

I was grateful also for the kind words of approval for the efforts of the Department in several fields.

There are a number of points in the committee report, however, with which I strongly disagree.

First, I cannot agree with the report when it attempts to attribute the lack of effectiveness of the 1956 soil bank to an inherent weakness of the program. It should be noted that the Secretary of Agriculture is required to administer laws as they are passed by the Congress. The Secretary of Agriculture does not write the legislation. Therefore, when this report states that there were very little results from the expenditures for the 1956 program, it must be borne in mind that the implementation of the soil bank program for 1956 was contrary to my expressed wishes. I pointed out in correspondence available to your committee that the passage of the Agricultural Act of 1956 was too late to result in any real accomplishments in 1956. It was at the insistence of the House conferees that provisions were inserted in the Agricultural Act of 1956 requiring that the Secretary operate to the best of his ability a soil bank program for 1956. The conferees' report recognized that very little in the way of results was expected for 1956. Any criticism of the operation of the Soil Bank Act for the 1956 year should be considered in the light of available history. The record on this matter is so clear that the failure of the Committee on Appropriations to recognize these facts is difficult to understand.

Second, the committee implies that farmers increased production as farm prices have fallen. This is directly contrary to the best economic thinking and to an analysis by the Congress, as reflected in the Agricultural Act of 1938, as amended. Under the legislative findings covering peanuts in section 357 of the above act, the following statements appear:

"As the quantity of peanuts marketed in the channels of interstate and foreign commerce increases above the quantity of peanuts needed for cleaning and shelling, the prices at which all peanuts are marketed are depressed to low levels. These low prices



tend to cause the quantity of peanuts available for marketing in later years to be less than normal, which in turn tends to cause relatively high prices."

Available statistical evidence does not support the concept that if prices fall, farmers generally will increase their production. While we can agree that production has increased in recent years, we have every reason to believe that it would have increased even more if supports had been higher. In fact, increasing efficiency resulting in large part from advancing technology would have been further stimulated by higher prices.

It has been demonstrated that individual commodities respond more readily to the stimulus of price than does aggregate agricultural production. Certainly, during the war, higher price supports were designed to induce greater production. We know of no country in the world which has ever adopted a policy of reduced price support levels in order to stimulate production.

"Third, the soil bank acreage reserve was recommended to the Congress as a temporary measure designed to reduce extremely burdensome carryover stocks of basic commodities. These tremendous carryovers had been developed through the operation of acreage allotments and previous rigid price support programs.

The House committee report says that they "have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did." This sounds like the committee is condemning it because they think it didn't work, but if it is successful, they will condemn it anyway. The Department cannot agree with this position. The soil bank program has received bipartisan support from all those who recognize that no program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program. The law makes a soil bank commitment to farmers through 1959. This commitment should be carried out.

In the second paragraph on page 26, the committee report says, "Since it is felt that complete elimination 'of the soil bank program' is a major policy decision which should be handled through regular legislative channels, the committee has moved in the direction of a gradual elimination of the program by reducing the appropriation for 1958 to \$600 million and by reducing the size of the next year's program to \$500 million." We believe this approach to be inconsistent.

The Department originally recommended an acreage reserve program for but 3 years, since we were cognizant of the impact on the whole agricultural community as well as on the actual farm operator.

If the soil bank were to be eliminated or severely restricted in its effectiveness, this should be done legislatively after appropriate consideration by the legislative committee rather than by a limitation put in an appropriation bill while retaining all the goals and objectives set forth in the basic legislation.

The statement in the report that the farmer has rented the poor part of his land to the Government is very likely true. However, the payment on that land has been in proportion to its productive capacity; i. e., 10 acres of 20-bushel land would cost the same and result in the same reduction in production as 20 acres of 10-bushel land. We pay for what we get in the way of reduction for the basic crop involved.

Fourth, I take exception to the statement on page 5 which refers to the rise in CCC holdings from \$2.5 billion on January 1, 1953, to \$8.2 billion on January 1, 1957. The re-

port charges that "this is largely due to increased production generated by reduced price supports and reduced acreage."

This statement is not supported by fact. The records show that most of this backlog was acquired from December 31, 1952, to December 31, 1954, while the farmers were operating under the high rigid price supports then in the law. During that period total investments in price support commodities jumped from \$2.5 billion to \$7.2 billion—a figure only \$1 billion below the \$3.2 billion holdings on January 1, 1957, misleadingly referred to by the committee as "largely due" to reduced price supports.

Fifth, the statement on farm debt is misleading. It is true that total farm debt increased from \$14.8 billion in 1952 to \$18 billion in 1956, but it is also true that farm equities have gone up even more rapidly. Farmers' equities have, in fact, increased 41 percent during the past decade.

Land values are at an alltime high. Mortgage foreclosures are near the alltime low. Nearly 7 of every 10 farmers have no mortgage debt at all. Such facts are not reflected in the committee's statement.

I am calling these matters to your attention in the hope that you will make the necessary changes so that the permanent report will present a picture that is more nearly accurate and fair.

If you do not feel that you can make these changes, I urge you to make this letter a part of the record in connection with the proceedings regarding the Department's budget.

I shall comment separately on the implications of the committee's actions regarding budgetary provisions for the soil bank and other items in the Department's budget.

Sincerely yours,

EZRA TAFT BENSON,  
Secretary.

The report of the Appropriations Committee that accompanies this bill, H. R. 7441, making appropriations for the Department of Agriculture for fiscal 1958, is a strange document. The action of the committee in reducing the appropriations for the Agriculture Department is a proper function of that committee and it is not my purpose to argue the merits or demerits of that action, although there are areas in which the committee has, in my opinion, made false economies.

I am disturbed by those portions of the report that deal with things other than direct budget items. Nearly half of this report purports to tell us what is wrong with our agricultural economy and by inference blames all the farmers' troubles on the Eisenhower administration and the present Secretary of Agriculture.

That the farmer is in difficulty no one denies. That something is wrong with our farm legislation no one denies. In fact, the report goes so far as to say that "Part of the trouble lies with the agricultural laws passed in 1933 which, except as to price-support levels, largely govern present farm programs." I would go further and say that all of our troubles stem from the agriculture laws passed in 1933 and 1938.

Paragraph after paragraph of the report points out that cutting United States acreage as a means of regulating United States production, and perhaps world production, will not work. Yet it was the legislation of the depression years of the 1930's that put such a program in effect. The idea of price supports at a means of controlling or in-

creasing farmer income was written into the law in 1938. Since that time there have been few changes in the methods devised by the Congress in the 1930's to meet what was then an admitted emergency. We have compounded the errors of the thirties by attempting through patchwork legislation to make a go of programs that were never designed as long-range agricultural solutions. Our troubles stem from legislation based on a horse-and-buggy era. Yet this report repeatedly refers to the past 4 years as though the present administration was completely to blame for all our troubles in agriculture.

While one may quarrel with some of Mr. Benson's administrative decisions, let us not forget that he must work within the legislative framework of programs passed by Congresses controlled by the party of the gentleman who wrote this report.

In its efforts to disassociate its authors from the results of past errors, the report labors mightily, but unconvincingly, to cast upon the present Secretary of Agriculture full blame for the current problems. The report fails to emphasize that the present situation flows from many years of erroneous farm policy. It fails to point out that the present surpluses were acquired under the program voted by preceding Congresses. It fails to point out that present costs of carrying and disposing of such surpluses are the inevitable consequence of the farm policies that Congress has changed in only minor respect since their enactment.

The report uses 1952 as a year for comparison. 1952 was a war year. We were asking, yes even demanding, that our farmers increase production. For example, we tossed out wheat acreage allotments and requested stepped-up production. These actions were not comparable to a peacetime period such as we have enjoyed since then. Why does the report not use 1939 or 1940 as a year of comparison?

The report suggests a new farm program. But the program they suggest appears to me to be suspiciously similar to the old domestic allotment plan that the legislative Committee on Agriculture has kicked around for the past 15 years. It would substitute for one failing program a new program that would involve even more comprehensive regulation and Government control than we now have and in my judgment have less chance of success.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require to read to the Committee of the Whole a telegram which I sent in response to this letter which I received this morning. May I say to the membership that this letter to me was mimeographed and released to the press and distributed at the time I received the original draft. At that time I dispatched the following telegram to the Secretary:

MAY 14, 1957.

HON. EZRA T. BENSON,  
Secretary of Agriculture,  
Washington, D. C.:

Your lengthy letter dated May 14 making comments on report by the Appropriations Committee on agricultural appropriation,



which comes up today, has just been delivered to me by special messenger. The press advises you have released this letter to them.

I am pleased to have your agreement on much of the report and your comments differing with other matters in the committee report. You mention you are surprised at some statements in the report. Certainly after our questions and your answers of February 26, 1957, plus the records of the Department, I cannot see that you should be surprised. May I say the fact that you differ with some of the findings of the appropriations committee is not surprising to me. It is obvious that had you been in agreement with the views of the appropriations committee you would have no doubt changed the policies of the Department long since. You will recall that for 3 years we tried to get you to use your authority to sell competitively in world markets. When you finally did, it worked out surprisingly well, as you graciously said in our hearings of February 26. Then and later on April 16, when we pointed out to you what had happened to production and CCC investment during the period which you have been Secretary of Agriculture, we were pleased to see you recognize that time and developments have proven the unsoundness of many views which had been held by you and other departmental policymakers. I was glad to see that you later passed on to Senator ELLENDER and the Senate Appropriations Committee these acknowledgments which you made to our committee in our hearings on those dates. This gave me the most hope for an objective study of the farm situation I have had in a long time. I sincerely believe further study by yourself and others of the records within the Department will lead you to an awareness that we cannot regulate world production by merely cutting domestic production and, further, that the chief incentives to increased United States production are limitation on acreage and reduction in price. I know of no instance where the farmer loses income by reason of reduction in price that he does not try to make up the loss by increased production either in the acreage controlled commodity or some other.

As you well know, the Appropriations Committee has authority, which incidentally we did not use, to prohibit the use of any money for the acreage reserve part of the soil bank beyond present contracts, dependent of course, upon the approval of the Congress.

I regret that we cannot modify those places in our report where you differ with the findings of the Committee on Appropriations. I think it is significant that no minority report was filed by any member of the Appropriations Committee, either Republican or Democrat. I trust that on further study you will come around to seeing the soundness of the findings of our committee, which I assure you are based upon the records of your own Department. The committee report agrees that you inherited a bad situation so far as farm income is concerned. The point, however, is that after 4 years the farm situation is much worse.

I have tried in the report and in this telegram to hold this controversial issue as to the causes of the increasingly serious farm situation away from personalities. We give you full credit for sincerity and honesty of purpose and desire. As you said in the hearings, you and I will probably always argue the farm problem. I close with the hope that you will give more study to our report and the facts which support it.

Cordially,

JAMIE L. WHITTEN,  
Chairman, Subcommittee on Agricultural Appropriations.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I want to address myself briefly to two points in the committee report with which I strongly disagree. Before doing this, however, I would like to compliment the committee upon many other aspects of the report with which I strongly concur.

I think the report on the operation of the soil bank, for instance, makes the fallacies of this program very clear. If we continue to make the basis of the farm program a plan for paying farmers not to farm, many more wasteful scandals will result.

The domestic allotment program proposed by the committee, under the heading, "Suggestions for a New Farm Program," on page 7, may have some advantages for rather limited crops. I think it would be dangerous, however, if the domestic allotment program were adopted for some of our major commodities. This is particularly true in the case of cotton, the crop in which I am most interested.

Cotton farmers today seek more acres on which to produce their crops. Their markets are limited primarily because of the competition of synthetic fibers. Until the price of cotton becomes competitive domestically with synthetic fibers, farmers will have to contend with more and more cotton acreage reductions. With domestic production regularly reduced, cotton would soon become almost solely an export crop. It is not likely that the export market would be in any way stable or firm.

The proposal to restrict production in terms of bales or pounds instead of acreage would also strike directly at the heart of our traditional incentive system and would penalize energy and initiative and any type of progress toward greater productivity of labor. The overall plan would result in far more regimentation of the farmer than we have yet experienced.

The disadvantages of the domestic allotment program for the cotton farmer are apparent enough without dwelling upon the problem from the viewpoint of our cotton spinners. The plan presented by the committee would have a system of American mills buying in an artificially priced market to compete against American cotton sold abroad at perhaps incredibly low levels.

Any new type of program for cotton must have as a first objective the reduction in price in order to meet the competition of other fibers. If this price reduction must be accompanied by any type of Government subsidy, the subsidy should be in the direction of the consumer, and, consequently, benefit all segments of our economy.

I was very much surprised at the committee's comment on page 12 in regard to the Commission on the Increased Industrial Use of Agricultural Products. If there is anything that the American farmer needs today in order to increase his income, it is greater consumption of the products of his farm. An alarmingly small amount of farm products are to-

day used in industry. If there is any one field of Government research of benefit to the farmer that should be expanded today, it is that of industrial usage for farm products.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. ROONEY].

(Mr. ROONEY asked and was granted permission to revise and extend his remarks.)

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection? There was no objection.

#### PROPOSED DENIAL OF VA HOSPITAL FACILITIES TO NON-SERVICE-CONNECTED VETERANS

Mr. ROONEY. Mr. Chairman, I have been trying to get this time on the floor of the House today since high noon to bring to your attention another budgetary hassle which concerns the war veterans of Brooklyn and veterans throughout the United States.

On yesterday I entitled my remarks at page A3649 of the RECORD with regard to President Eisenhower's budgetary difficulties "That Mess in Washington." Now we have another one. Last night, here in Washington, I received a telephone call from the county commander of Brooklyn—Kings County Council of the Veterans of Foreign Wars—advising that an order emanated last week from the Washington office of the United States Veterans' Administration directing that from here on until the 1st of July no non-service-connected war veteran patients should be admitted to the Fort Hamilton Veterans' Administration Hospital. This caused utter consternation in veterans' ranks. If such a policy were to be pursued for any period of time this would mean that we would not have very many patients in our VA hospitals, because everyone knows that the preponderant number of the patients are non-service-connected war veterans.

The Veterans' Administration came up here on April 2 in connection with the third supplemental appropriation bill which passed the House a week ago today. They asked for \$3 million by way of transfers and proposed to absorb \$2,333,000 to cover certain wage-board increases which have to be paid. This House, without objection on the part of anyone, directed that the VA absorb \$3 million and provided language at page 5 of the bill which in effect permitted use of \$2,333,000 for this purpose. This means that they were asked to absorb 45 percent of 1 percent of the in-patient care money in their hands, the present total appropriation for in-patient care in these veterans' hospitals being \$662,900,000. Whereupon, like the Postmaster General Summerfield fiasco with regard to the postal service to which the public is entitled, the Veterans' Administration, with this appropriation bill still waiting to be acted upon in the other body, sent out a dispatch under date of May 9, 1957, in which they directed that as a result of their version of the appropriations situation the managers of their various VA hospitals should, "(1) defer all equipment issues until after July 1"; "(2) defer all main-



tenance and repair work, including cancellation of contracts where this action will not result in a liability to the Government"; and "(3) not filling position vacancies created by attrition for the remainder of the fiscal year, 52 days." But "(4)", and I quote, "restricting admissions to priority groups 1-4 and emergent cases to the extent that this may be necessary to assure adequate patient care," was the one that caused my blood pressure to rise.

Priority groups 1 to 4—I shall read the details with regard to these four groups—consist entirely of service-connected patients.

These four priorities are as follows:

First. Service-connected disability for wartime veterans.

Second. Service-connected disability for peacetime veterans.

Third. Observation and examination in connection with disability compensation or pension.

Fourth. Service-connected veterans being treated in other than Veterans' Administration hospitals requesting transfer to Veterans' Administration hospitals.

At this point I shall read the directive issued by Dr. William S. Middleton, Chief Medical Director, from his office here in Washington under date of May 9, 1957:

*Managers, All VA Hospitals, Centers (Except Denver), All VA Domiciliaries, and All Area Medical Directors:*

Priority/medical increases granted wage board employees for fiscal year 1957 amount to \$5½ million. Supplemental appropriations presently not available for payment of these wage board increases. Costs of wage board increases approved for payment through September 23, 1956, must be absorbed within current appropriations. Payment of wage board increases approved during period September 23, 1956, through July 1, 1957, must be deferred pending an overall appraisal of the methods of absorbing this additional cost within current appropriations. In view of this situation it is necessary to assess against current allocations for all activities supported from the inpatient care appropriation, such amounts as are necessary to provide funds for the payment of wage board increases. Accordingly, your fourth quarter 84-8500.001 01-13 allotment is decreased by 1 percent. Appropriate withdrawal documents will be issued. It is recognized that this is a serious problem which will require most stringent measures to assure continued operation of your station within the funds remaining since there are only 52 calendar days remaining in the fiscal year. It is within your discretion to determine what course of action will best solve this problem with the least harmful effect. However, to the extent necessary to accomplish this reduction, the following course of action is suggested: (1) Deferral of all the equipment issues until after July 1 by retaining delivered equipment in the warehouse and recording in general ledger temporary holding account 471462 and by cancellation of obligations for equipment established in accordance with paragraph 3B.04b of VA Manual MP-4, Part IV; (2) deferral of all maintenance and repair work including cancellation of contracts where this action will not result in a liability to the Government; (3) not filling position vacancies created by attrition for the remainder of the fiscal year; and (4) restricting admissions to priority groups 1-4 and emergent cases to the extent that this may be necessary to

assure adequate patient care. It is essential that a deficiency situation does not exist at your station on June 30. Since \$1,300,000 in addition to this assessment must be saved to cover the wage board increases approved for the period September 23, 1956, through July 1, 1957, your cooperation is requested in making such savings as are possible in addition to this assessment and reporting these savings to central office. Bi-weekly, each station will report the status of its progress in developing additional savings (142).

Signed and dispatched May 9, 1957.

WILLIAM S. MIDDLETON,  
Chief Medical Director.

Then, after having pulled this boner and gotten all the war veterans and veterans' organizations in Brooklyn, N. Y.—and it is the largest community in the United States of war veterans—all excited about this, they sent out this wire on the following day:

*Managers, All VA Hospitals, Centers (Except Denver), All VA Domiciliaries, and All Area Medical Directors:*

Priority/Medical Remytel May 9 concerning budgetary adjustments, it is intended that the application of the suggested course of action will be in the priority as listed. Should the restriction of admissions, item (4) be required in order to meet the reduction in funds, you will advise this office prior to applying the restrictions (142).

Signed and dispatched May 10, 1957.

WILLIAM S. MIDDLETON,  
Chief Medical Director.

My question is whether this is another example of an attempt to pressure the Congress with regard to appropriations such as Mr. Postmaster General Sumnerfield tried.

Is it possible that 45 percent of 1 percent of a \$662,900,000 appropriation cannot be absorbed?

There is only one answer to it.

The war veteran is entitled to the hospital care that the law says he is entitled to, and if the Veterans' Administration and President Eisenhower's administration cannot furnish this care in the same manner in which it has been furnished heretofore, the public ought to know about it.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 25 minutes to the gentleman from Illinois [Mr. VURSELL].

(Mr. VURSELL asked and was given permission to revise and extend his remarks.)

Mr. VURSELL. Mr. Chairman, before proceeding with my talk with reference to the farm problem I might suggest that since the gentleman who just spoke has a very solid Democratic majority it would seem they ought to be able to take care of the matter of which he complains.

Now, Mr. Chairman, I shall not go into much detail with reference to the various items in this bill, because they have been very thoroughly explored by former speakers. May I say that we did reduce the bill for the regular activities about \$1,610,000,000, and we did appropriate or authorize for REA and all those other organizations that pay their money back, and we did take care of the school-lunch fund, and we did try to cut the regular activities back to about the 1947 level, yet at the same time we met certain other needs in-

cluding the retirement fund of something over \$19 million.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from New York.

Mr. BECKER. A statement was just made on the floor of the House by the gentleman from New York [Mr. ROONEY] with reference to a directive of the Veterans' Administration affecting veterans' facilities in Brooklyn and others elsewhere.

I took occasion when the gentleman finished to call Director Kruger. The statement the gentleman from New York gave was not completely accurate. I think perhaps he ought to get a copy of the directive or order and he will find it different. Perhaps tomorrow a copy of the order that was issued should be placed in the RECORD.

Mr. ROONEY. Mr. Chairman, will the gentleman from Illinois yield at this point so that I may briefly answer the gentleman from New York [Mr. BECKER]?

Mr. VURSELL. I will yield very briefly.

Mr. ROONEY. I say to my distinguished friend from New York that I have already inserted in the RECORD a copy of both directives, the one that went out on the 9th of May and the one following that on the 10th of May.

Mr. BECKER. Dr. Kruger informs me that the directive is not being enforced because they were not ordered to refuse nondisabled veterans.

Mr. VURSELL. Mr. Chairman, we are discussing a very serious department of this Government, so far as its funds and policies are concerned. What we do in the future, I hope, will be better than what we have done in the past. We have seen so much gloom spread on the floor of this House today about the deplorable condition of the farmers and of agriculture generally that probably a statement of fresh, stern facts might be in order at this time. That is my purpose in giving some facts today to the House.

I feel that our committee went about as far as we could, or should, go in reducing the annual appropriations for the bill before us to \$1,610,024,848 for the regular activities of the Department, which include \$19,399,515 for retirement-fund contributions.

Actually, the sum appropriated is \$403,738,260 less than the \$2,013,403,108 available for expenditure in the present fiscal year. It is, in fact, \$272,556,860 less than was recommended in the budget, and is a reduction of 14½ percent for these activities; in fact, outside of the soil bank and the soil- and water-conservation programs, we have just about reduced the budget request for these activities to the 1957 level.

We have included in the bill an appropriation in the sum of \$1,239,788,671 to restore capital impairment of the CCC through June 30, 1956, under its price-support activities. A large part of this amount is for storage, handling, transportation, administrative and interest costs, and the balance represents price-support losses on commodities sold by the corporation.



The bill also provides \$843,076,238 to reimburse the CCC for money expended in the fiscal year 1956 for various non-price-support programs under special legislative directives. Were these items added, the bill carries a total, appropriationwise, of \$3,692,889,757. Of course, authorizations are carried in the bill for rural electrification administration and Farmers' Home Administration. These amounts are merely authorized for loans which are eventually paid to the Treasury with interest.

Although holding back the appropriations to the 1957 level plus funds to meet the mandatory retirement contributions, the committee has not eliminated, or denied, any part of the new program requested in the 1958 budget.

Mr. Chairman, we have heard so much today about the dire conditions of agriculture that it might be a good idea to have a few facts.

While we all admit that agriculture has had a rather difficult time over the past several years, with the transition from war to peace, I think the facts will show that agriculture has come through its most difficult time.

We all know that after World War II was over, the price of farm products started down in 1948 and fell rapidly—reaching an alltime low in December 1955.

Since that time, farm prices have slowly but steadily advanced, and as of March 1956 were up 4 percent, and the further increase in farmers' net income in 1957 over 1956 is expected to be 4 percent, or better, which will reach an increase of 8 percent or better, for 1957.

There is every reason to believe that farm income will continue to rise in the years ahead. I say this because demand for farm products is running stronger than last year, with over 60 million people employed and business expanding, consumer income is still gaining—promising stronger demand for meats, dairy, poultry, and other farm products.

Reduced plantings, mainly because of the soil bank, are likely to cut crop output this year. The placing of over 21 million acres in the soil-bank acreage reserve will play a significant part in cutback of production. Crop acreage planted this year may be the lowest in 40 years. This estimate is based on a March 1 survey of farmers' planting plans for 16 crops.

#### STATUS OF COMMODITY CREDIT CORPORATION

Secretary Benson, who appeared recently before our committee, testified as follows:

During the fiscal year, the Commodity Credit Corporation has made price-support loans totaling \$2¼ billion through February 28, 1957, compared with \$2.8 billion through the same dates last year—a comparative reduction in support loans of \$550 million. That is a move in the right direction toward lower surpluses.

#### INVENTORY

It is important to note, that the upward rise of the inventory of the surplus commodities in the CCC has been halted through aggressive sales and other disposals of surplus commodities.

During the first 8 months of this fiscal year the value of inventories moved out of the CCC reached \$2.7 billion. Secretary Benson testified before our committee that by June 30, the end of the current fiscal year, it is estimated CCC will own surplus commodities valued at \$5½ billion, a reduction of over \$400 million from the beginning of the fiscal year. He says we expect this trend to continue until next year—with further reduction in the Corporation's holdings.

Testimony before our committee showed that CCC managed to raise its sales and other disposals in fiscal year 1956 to an all-time peacetime high of \$2,723,000,000, and they expect that 1957 figures will reach a still higher total of \$3,976,000,000.

It is important to note that sales on the world market and other disposals, even on so large a scale as this have been accomplished in peacetime without disrupting market prices at home or abroad.

It is also important to note that from July 1, 1953, to February 28, 1957, 61 percent of CCC stock sales have been made for dollars. Another 12 percent was in the form of donations; 11 percent in barter; 7 percent in other transfers and section 32 sales; and 9 percent in sales for foreign currency.

Since January 1, 1956, in sales of cotton for export, handled on a competitive bid basis, CCC disposed of 9,297,339 bales up to April 2. Eighty percent of these transactions were for dollars.

#### EXPORTS

Farmers have a right to be encouraged by the fact that agriculture exports as a whole have been setting new value and quantity records. During the first 8 months of fiscal 1957, farm exports increased 48 percent in value and 53 percent in quantity over the same period a year earlier. At this rate, total value of farm exports for all of 1956-57 should reach the all-time high of almost \$4.5 billion, or an increase of about \$1 billion over last fiscal year. Chief gains this year have been cotton—up 355 percent; grains and feed up 46 percent; vegetables, oils, and oilseed up 29 percent; fruits and vegetables up 20 percent.

Our export trade, now the highest in 30 years, will continue to increase because of the awakening of the people worldwide, who are demanding a higher standard of living.

This is no time to falter, or turn back from the sound policies we have adopted, after we have weathered the worst of the economic farm-price squeeze, and for over a year have been slowly but surely on the upgrade to a long and sustained prosperity for the farmers.

We tried high-price supports, which failed utterly, after both World War II and the Korean war, to hold prices up and protect the farmer, with the result that the mountain of surpluses and the billions of dollars spent in that losing fight continued to force farm prices downward from 1948 to 1955.

There are three factors in the policy we are now following that offer the greatest hope for the permanent solution of our farm troubles.

The key policy is the application of the soil bank, that this year will take over 21

million acres of productive land out of production in the acreage-reserve program.

The second factor that has done so much to continue a strong market for the grains and basic commodities is our widening of export markets, which will continue to increase in volume.

The third factor, since 90 percent of our farm products are consumed in the domestic market, is our continued prosperity, which guarantees greater demand and greater consumption of farm products.

These three factors added to our population increase of some 3 million people a year, are sound policies that give the farmer the greatest guaranty of increasing and sustaining his prosperity.

I would like to quote some statements from the May 1957 Farm Journal, which publication, I am sure, comes to every Congressman's desk: "Cash in on the hog prices just ahead. Look for hog prices to look up in June. Hogs are real moneymakers at present corn prices. Top out cattle and ship to market. Cattle prices have done well for this time of year. There are quite a few fed cattle yet to be sold. Summer prices will go up again. Busy market for stock cattle is not likely to ease off soon. Soybean prices may rise in May." May I say that all farmers know that this billion-dollar soybean crop the past 2 years has sold at prices that were most profitable.

Continuing to quote from the Farm Journal:

Corn prices may not be as low as expected this fall. The soil bank has taken up more than 4.5 million acres, and farmers intend to plant 5 percent less than last year.

And as proof that the farmers are doing pretty well, I quote again from the Farm Journal, and this is strong evidence:

Land prices show no signs of slackening off. Latest report shows values went up 2 percent in only 4 months' time. Farmers are competing for land to increase the size of their farms.

Now let me give you some facts on the great agricultural State of Illinois, whose gross value of farm products last year was \$2,092,000,000. From the newspapers of Illinois Tuesday, May 9, 1957, here are the headlines: "Illinois Farms Average \$31 Per Acre Net" and "Illinois Farmers Net During 1956 Highest Since 1951."

That was the year when the Korean war was at its height under the Truman administration, when we had a war inflation of 14 percent in prices. Today we have the following story taken from an Illinois newspaper:

A farm record summary just completed by the University of Illinois, Department of Agricultural Economics, shows that Illinois farmers' 1956 earnings were the highest since 1951. Mr. A. G. Mueller, in charge of summarizing farm records, explains that record high corn, soybeans, and wheat yields and improved cattle and hog prices were largely responsible for this increase.

This same condition prevails in many States throughout the commercial corn area.

I venture the assertion that very few Congressmen are receiving letters today



from the farmers complaining of their economic conditions. They are getting letters from farmers urging them to reduce governmental expense and to reduce taxes.

I do not mean to infer that the farmer is yet getting his full share of prosperity; however, I do believe that a great majority of the farmers have confidence in the Secretary of Agriculture, Mr. Benson, and his administration in the support of the soil bank, and his success in reducing farm surpluses—which surpluses the farmers know have been depressing farm prices—and with our policy of increasing exports which will help to increase the general prosperity of the farm people.

Now, Mr. Chairman, I understand an amendment may be offered to exclude the soil bank appropriation for \$500 million in this bill for acreage reserve for the 1958 farm crop.

I know of no move that could be taken that would be more detrimental to the entire structure of agriculture if such an amendment should be approved. It would show irresponsibility on the part of the Congress. It would add confusion to and discourage the hope of the farmers that has been built up, and tend to depress farm prices, and might greatly slow down the recovery of farm prices which have been continuing upward for the second year.

The Agricultural Legislative Act has authorized \$750 million for the acreage reserve for 1958. A majority of the committee went too far in cutting back the budget request for \$750 million for 1958 to \$500 million. Ample appropriations should be made so that the farmers will know far enough ahead so that they may plant the amount of acreage they desire to put in acreage reserve for the 1958 crop.

I have been in touch this morning with the policy official here in Washington, speaking for the great American Farm Bureau Federation, with a membership of 1,600,000 farmers who authorized me to state that they were adamantly opposed to any amendment that would reduce or strike out of the budget the soil bank funds for 1958 crops that were authorized in the basic legislative act—in fact, they told me they felt that the billion dollars authorized in the act for 1958 should be approved, which covers both acreage reserve and conservation reserve, leaving it largely to the Secretary of Agriculture the allocation of the funds between acreage reserve and conservation reserve—both provided for in the Soil Bank Act.

Mr. Chairman, while I have great respect and esteem for our chairman [Mr. WHITTEN], I confess that I cannot agree with the general tenor of the committee report he edited, the verbiage of which, in several instances, goes too far in trying to prove that the policies of the Secretary of Agriculture over the past 4 years have failed. I am disappointed as well in his criticism of the initiating of the soil bank.

Now, Mr. Chairman, since Mr. WHITTEN in his report goes to great length to make out a case that the policies of this administration and Secretary Benson,

with reference to the farm policy, has failed, let us look at the record of his party in the past, where we will find the real cause that plunged the farmers into the price squeeze inherited by this administration in January 1953.

He and his party then, and many of its members up to the present time favored crop controls, and a rigid 90 percent of parity, and, in fact, kept that policy on the statute books up to the farm crop of 1955, when we finally succeeded, over his and their opposition, by adopting flexible price supports from 82½ percent to 90 percent.

They refused to lower the 90 percent wartime parity support price that was passed, in order to increase production of food to win the war. When the war was over, they continued this same incentive for greater production.

Surpluses piled up, and farm prices began to drop in 1948 from a parity index as of January 1948 of 118 to 96 percent in 1952. Farm prices declined 22 percent under the last 4 years of the Truman administration. They continued to decline under the Eisenhower administration to 80 percent of parity in 1955. They have started up, and are now a little over 81 percent.

These figures show that there was a 22 percent drop in farm prices during the 4 years of the Truman administration, and during the 5 years of the Eisenhower administration, with parity now at 81 percent, they have dropped 14 points under the present administration.

Mr. Chairman, let me point this out: The farmers not only got into this depression under the 4 years of the Truman administration, but, in addition, the farmers and all of the people were penalized by an inflationary rise in the cost of living of 14 percent. Under the Truman administration, farm prices dropped 22 percent, and the cost of the things the farmers and all people had to buy went up 14 percent.

By comparison, under the 4 years of the Eisenhower administration, inflation has only increased 4 percent, and we have stopped the decline in farm prices, and farm prices have risen 4 percent in 1956, and will have risen 8 percent by the end of this year.

#### AND THAT'S NOT ALL

Under the Truman administration, or should I say the Truman-CIO-Walter Reuther administration, the farmers were hit a staggering blow, which I shall relate as follows:

The CIO used its power to increase prices throughout the industries manufacturing farm implements, with threats of one strike after another until they increased the wages of those in the industries manufacturing farm machinery by 37½ percent, from 1948 to 1952, while the farmers' income at the same time was dropping 22 percent, and because of their domineering political equity in the Democrat Party, and because of the cooperation of President Truman, the CIO pulled the big steel strike, with Reuther having the understanding with President Truman that he would not invoke the Taft-Hartley Act, which gave them the green light in the steel strike with the

result that Truman did not invoke the Taft-Hartley Act to prevent the strike, but unlawfully seized the steel industry of the Nation, and held it until the Supreme Court made him turn it back.

This was the severe blow which struck the farmers, and every citizen of the Nation, because with the cooperation of the President, they won the strike which resulted in an increase in steel for which the farmers, and all of us, are still paying today.

Let me quote a table of figures taken from the records of the Bureau of Labor Statistics that will prove that under the Truman Administration very largely because of his collusion with the CIO that a cost of \$4 billion a year was added to the farmers of America:

[In billions]

|           | Gross farm income | Net farm income | Farm production expense |
|-----------|-------------------|-----------------|-------------------------|
| 1948..... | \$34.6            | \$15.9          | \$18.7                  |
| 1949..... | 31.6              | 13.7            | 17.9                    |
| 1950..... | 32.1              | 12.9            | 19.2                    |
| 1951..... | 37.1              | 14.8            | 22.3                    |
| 1952..... | 36.9              | 14.1            | 22.8                    |
| 1956..... | 34.0              | 11.8            | 22.2                    |

You will note from the above table that it cost \$22.8 billion for the farmers to put in and harvest their crops in 1952 as against \$18.7 billion in 1948, or an increase of \$4.1 billion.

Farmers will remember that by the end of 1952 farm machinery had risen over 33⅓ percent, while wages in the factories making farm machinery had risen 37½ percent, and while farm prices had dropped 22 percent and net income had dropped accordingly.

This is only a part of the past Democrat record that penalized the farmers of the Nation, and the citizens generally, and fastened billions of dollars of extra cost upon them which, through inflation and otherwise, had driven the purchasing power of the dollar down to about 52 cents.

Mr. Chairman, I am glad this question has been raised, so that the facts can, by comparison of the records, be brought out.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. If the gentleman feels it is all right for him to point out that all this was caused by the Democrats, is it improper for me to point out that the past 4 years have not brought any improvement?

Mr. VURSELL. We will see about that. It was not all caused by the Democrats. No; that is right.

Mr. WHITTEN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriation bill for the Department of Agriculture.

It is an honor to be a member of the Subcommittee on Agricultural Appropriations. Our chairman, the distinguished gentleman from Mississippi [Mr.



WHITTEN] is one of the great Members of the House. It has been a pleasure serving on this subcommittee with such outstanding Members as the distinguished gentleman from Minnesota [Mr. MARSHALL], the distinguished gentleman from Minnesota [Mr. H. CARL ANDERSEN], the distinguished gentleman from Washington [Mr. HORAN], and the distinguished gentleman from Illinois [Mr. VURSELL].

We are fortunate to have as our executive secretary, Ross P. Pope.

#### NINETEEN HUNDRED AND FIFTY-EIGHT BUDGET

Shortly after the President's budget message was presented to Congress, I began receiving hundreds of letters and telegrams demanding that this record peacetime budget of \$71,800,000,000 be reduced. Since I have been a member of the Committee on Appropriations I have never received as many letters from my home State and the other States of our Union. In order to reduce taxes we must cut expenditures. A reduction of at least \$3 billion must be accomplished before a tax cut is feasible. A sensible reduction of this budget is our only logical recourse. I advocate an item by item analysis so that, when cuts are made, national defense and national welfare will be left unimpaired. Our move for economy is encumbered by many obligations authorized by preceding Congresses. Permanent reductions are difficult to make because the service has been previously ordered. There are three basic causes which may be attributed to the increase in Government expenditures. First, the value of the dollar has decreased 20 percent in the last 10 years. Next, the annual appropriation for national defense has practically tripled since 1949. Finally, the costs of domestic services rendered by the Government to promote national welfare have been augmented considerably. In 1949 we expended \$11,500,000,000 for military purposes—today we are called upon to appropriate \$33 billion. Appropriations for atomic energy have gone from \$600 million to \$2,300,000,000. The interest rate on the national debt has been increased from \$5,400,000,000 in 1949 to a proposed \$7,400,000,000 in 1958. Our national debt now amounts to \$275 billion which is equal to the assessed value of all tangible property in the United States, and is greater than the combined national debt of all the rest of the countries of the world. This budget must be reduced, and in considering the requests for 1958 for agricultural appropriations, our committee attempted to make reductions where possible. The regular activities of the Department were reduced \$272,556,860—a reduction of 14.5 percent. We have cut the President's budget for regular activities back to the 1957 level.

#### PRESENT FARM SITUATION

It is a recognized fact that agriculture must prosper if the Nation is to prosper, and the American farmer has the right to demand a standard of living in keeping with the contribution he makes to the national economy. We must permit our farmer to farm if he is to be successful. We are a prosperous people, and it is almost an impossibility to attempt to legislate scarcity of any kind. If we have an abundance of farm

products then it is imperative that we build our markets in such a way that this abundance can be used. Reduction of prices received by the farmer will not reduce production. Our farmer is still confronted with a cost-price squeeze, and conditions in American agriculture at the present time are certainly not good.

The number of farms in this country has decreased from 5,927,000 in 1946 to 4,800,000 in 1956. The average gross income per farm in 1946 was \$4,947, and in 1956 it was \$3,934. During the same period of time the farmer's production expenses amounted to \$2,416, and in 1956 he was confronted with expenses totaling \$4,519. Our farmers' net income per farm for 1946 was \$2,531, and for 1956 amounted to \$2,415. The total farm net income for 1956 was \$11,800,000,000. This is only a small portion of our national income of some \$306 billion. No State is more affected than my home State of Kentucky. Kentucky is an agricultural State with 193,487 farms with total acreage of 18,034,000 of which 10,455,000 acres are in production.

#### REGULAR ACTIVITIES

This bill provides an annual appropriation of \$1,610,024,848 for regular activities of the Department of Agriculture. This is \$272,556,860 less than the \$1,882,581,708 recommended in the 1958 budget. This reduction amounts to 14.5 percent. We recommend \$843,076,238 for special activities; \$1,239,788,671 for corporations; and loan authorizations of \$448,500,000. Our committee has not eliminated or denied any of the new programs requested in the 1958 budget. We recommend an appropriation of \$48,994,890 for research; \$25,682,000 for plant and animal disease and pest control; \$16,586,000 for meat inspection. We recommend appropriations for State experiment stations totaling \$29,753,708. This is the same amount appropriated for 1957. For marketing research and agriculture estimates, we recommend an appropriation of \$14,041,700. This is \$604,700 more than the amount appropriated for 1957 for this agency. For the school-lunch program we recommended \$100 million, which is the same amount appropriated for 1957. We recommend that \$535 million be appropriated for soil and water conservation.

#### RURAL ELECTRIFICATION ADMINISTRATION

Twenty years of REA has caused revolutionary changes in American farm life, and unless you have actually watched that momentous change take place, you do not have any deep realization of what it has meant to millions of American farmers. With constantly increasing consumption of electricity, life on farms throughout our land has become more pleasant as electricity takes over chores which were once drudgery. Farm isolation has been defeated by farm telephones, radio, and television. Every county of the Second Congressional District of Kentucky is served by REA, and the first REA loan in Kentucky was made to the Henderson-Union Rural Electric Cooperative Corp. which is located in my district. The sure way to destroy REA is to increase the interest rate and to make loans more difficult to secure. It is estimated that electric loans will

amount to \$179 million for the fiscal year of 1958. A number of these loans will be for extension of central station electric service, and a portion of the loans will be used to increase the capacity of borrowers existing systems so that they will be able to meet the constantly increasing power loads. Our farm family today uses more than 264 kilowatt-hours of power per month. Telephone loans are estimated to amount to some \$60 million in fiscal year 1958, the approximate amount of the current fiscal year.

This bill for 1958 includes the budget estimates of \$179 million for electrification loans and \$60 million for telephone loans. This is \$275 million less than funds authorized for fiscal year 1957, and the reduction is due to the additional \$200 million loan authorization contained in the Second Urgency Deficiency Appropriations Act of 1957.

The net income from lending operations for REA from its inception in 1935 to June 30, 1956 amounts to \$47,504,355.

#### COMMODITY CREDIT CORPORATION

We recommend a total of \$1,239,788,671 in this bill for restoration of capital impairment of the Community Credit Corporation through June 30, 1956. Approximately half of this amount represents commodity losses, and the remaining half is involved in storage, handling, transporting, administrative and interest costs. The total amount recommended is \$297,501,493 more than the 1957 appropriation.

At the beginning of the fiscal year 1957, the Commodity Credit Corporation controlled a price-support inventory valued at \$5 billion, and during 1957 loans are estimated to total some \$2,900,000,000. It is anticipated that the fiscal year 1958 will see a price-support inventory valued at \$5,500,000,000. It is expected that loans will be made on commodities valued at \$2,500,000,000 during 1958, and acquisitions will total \$3 billion with dispositions amounting to \$3,400,000,000, leaving an inventory at the close of the fiscal year 1958 valued at approximately \$5,200,000,000.

#### SOIL BANK

For 1958 we recommend an appropriation of \$600 million for payments under the acreage reserve program with the number of commitments which may be made during the 1958 program limited to \$500 million. This is \$101,173,340 less than the estimate for 1958. For conservation reserve this bill carries approximately \$210 million.

The soil bank has failed where tobacco is concerned. With seven types of tobacco grown in the United States on a total acreage amounting to 1,364,475 acres, we had participation of only 2.38 percent in the soil bank for 1956. For 1956 we had 20,093 agreements placing approximately 32,500 acres in the bank. This participation, of course, was not effective. So far during the year 1957 only \$17,293,761 is obligated for tobacco under the soil bank. For fiscal year 1957 the sum of \$45 million was authorized for tobacco. Only \$7,696,520 was expended, and the balance reverted to the Treasury. The provisions concerning compliance with the Soil Bank Act should be so changed that, before any funds revert to



the Treasury, the different kinds of tobacco suffering from supply and demand trouble would be assisted. At the close of the application date the Department should immediately determine the kinds of tobacco in trouble and number of applications pending which were not accepted due to the fact that the allocated amounts for the particular county or section were inadequate, and take the necessary action to use remaining funds, bringing into the bank all acreage possible. For instance, if dark tobacco is in trouble with more applications pending than funds allocated, and burley selling at \$64 per hundred is not going into the bank at \$18 per hundred, then, in order to carry out the intent of the soil-bank legislation, the remaining funds allocated for this commodity should be used to take the dark tobacco out of production.

#### SALARIES OF COUNTY AND HOME DEMONSTRATION AGENTS

Our county and home demonstration agents are the men and women who are responsible for carrying sound information directly to our farm people. The salaries of our extension workers have never been high, and some are now entirely too low.

Since I have been a member of this committee, I have attempted to stress the importance of increasing the salaries of our extension workers, and in our report accompanying this bill will be found the following instruction to the Department of Agriculture:

The committee strongly urges, therefore, that Federal, State, and county officials get together on this problem. It believes that funds can be found within the amount provided for the coming fiscal year to meet the Federal share of reasonable salary increases.

In addition to regular living costs, the county and home demonstration agents hold a responsible position in society due to the fact that they are properly recognized as leaders in agriculture in their respective counties, and they must live and associate with people accordingly. Our Extension Service is a cooperative undertaking by the Federal, State, and local governments, and is more fully provided for under the Smith-Lever Act, passed by Congress in the year 1914. This program of extension work is conducted in over 3,000 counties in our country. In order to be successful our farm families must organize, manage, finance, and operate their farms on a sound and efficient basis with counsel and advice furnished at all times by our extension workers.

County agents in Kentucky are not adequately paid. Our county agents are listed 40th in the 48 States insofar as salaries are concerned. The average county agent's salary in Kentucky is \$5,497. Most of our county agents in Kentucky have children in either high school or college. The associate agent's average salary in Kentucky is \$4,836, and the assistant agent's average salary is \$4,200. The average salary in Kentucky for home demonstration agents is \$4,518. The associate home demonstration agent's average salary is \$4,000, and the assistant home demonstration agent's average salary is \$3,523.

The national average salary for county agents is \$6,118; for associate agents

\$5,276, and the assistant agent's average salary is \$4,625. The average home demonstration agent's salary in this country is \$4,923, and the average for associate home demonstration agent is \$4,321. Average salary for assistant home demonstration agent is \$3,876.

All of these people are required as a minimum in educational training to have a bachelor's degree in either agriculture or home economics before they are employed even as assistant agents.

It is imperative that the Department of Agriculture, our State and local authorities in Kentucky, and the other States, immediately take action to increase the salaries of our county agents and home demonstration agents and their assistants and associates, thereby placing these people in a position where they can live, educate their children, and meet their obligations to society in their respective communities.

#### FOREIGN AGRICULTURAL SERVICE

Foreign Agricultural Service, pursuant to legislation of 1954, is operating under the Department of Agriculture where it should have been all along. Today we have agricultural attachés representing United States agriculture at 56 foreign posts. The Foreign Agricultural Service can render great service to American agriculture by developing foreign markets for our agricultural commodities. The main objective is to open the way for sales through private trade channels for dollars, and if this is impossible, sales for foreign currencies can be made. We recommend an appropriation of \$3,902,300 for Foreign Agricultural Service.

#### CONCLUSION

Big business should be eager to have a prospering agriculture. When our farmer is prospering, tractors, trucks, automobiles, combines, milking machines, and mechanical devices of every description are moving from the factory to the farm.

We must not price ourselves out of the world market, and the interest of our family-size farmer must be fully protected. Modern farm problems are tremendously complex, and there is no easy answer. Changing conditions in agriculture demand constant experimentation with policies and programs.

We must permit our farmer to farm if he is to be successful.

Our committee recommends this bill to the Members of the House.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I wish to take this opportunity to compliment my colleague, the gentleman from Kentucky [Mr. NATCHER], for his outstanding contribution on this appropriation bill and to associate myself with his remarks.

Mr. NATCHER. I thank the gentleman.

(Mr. NATCHER asked and was given permission to revise and extend his remarks.)

Mr. HORAN. Mr. Chairman, I yield 12 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I hope I will not be accused of trying to bring prosperity to the country when it is not here. I hope I am not going to be accused of pinning my hopes on the Republican Party, and I certainly would not pin my hopes on the Democratic Party.

This is not a question of politics at all. The question we are confronted with today is the question of the survival of our country. If a farm home cannot exist in America, and by that I mean a family-type farm, the definition of which is a farm that can be handled and managed by the family that lives on it, then this country is, indeed, in danger.

When we had price supports on agriculture of 90 percent, that did not mean very much because the basis upon which that 90 percent was figured has outgrown the situation. One hundred percent of parity today based upon that old foundation would not make a farmer's dollar equal to the business dollar. I can remember when the law was passed. When I entered the Congress there were 35 States in the Union that were in distress. There were 15 million people walking the streets looking for something to eat. There were soup lines all over the country. I cannot think of the present situation without remembering the past. Women went through the Capitol here, visiting the offices of Congressmen, with their children tagging along behind them looking for something to eat and there were soup lines in every big city of the country. They had them in Boston, in New York, and in other cities.

What was the reason? The reason was that the buying power of the whole Farm Belt had disappeared.

I can remember when wheat was 26 cents a bushel, and farmers set fire to the field and burned it up because it was cheaper than to try to thresh it and sell it. I saw a sign down in South Dakota which said "Wheat, 26 cents a bushel, and oats 28 cents less." So, they were not worth anything. They burned it up. Cattle were bringing 2 cents a pound. You could not give any hogs away to your neighbors, because there would be some graduate from Columbia or Harvard there to report you to the Government. And, you put those limitations on the family-type farm.

Now, what about the soil bank? Up where I live, in the arid West, a farmer with two quarters of land, 320 acres, is allowed by the Department of Agriculture, on an average, to put in 41 bushels of wheat. Now, did you ever know a farmer smart enough to maintain his family on 41 acres, no matter what the price was? If that applied to the big ones, the fellows that are producing the surplus, it might have worked, but these family-type farms do not produce a surplus; especially in North Dakota, nobody raises a surplus. Yet, we are penalized. You cannot make flour without hard spring wheat, and you cannot make macaroni unless you add durum wheat, and those are the only two kinds of wheat we raise in North Dakota. And, there has never been a surplus. There is no doubt you are driving us out of business with this 41 acres of land that we can put in, and just figure, if we



get 30 bushels to the acre, which is a stretch of the imagination, 30 bushels to the acre at \$2 a bushel on that amount of land, I defy anybody to raise a family of 5.

And, the soil bank came along. That was going to save everybody, myself along with the rest of them. And, do you know where they took that deduction, where they went to get it? They went into this little bunch of land that we had set aside to crop and they took 20 percent out of that, so we did not have 41 acres left; we only had 33 left. Instead of helping us, it started to put us out of business.

The only thing I care about is this country. I do not care what kind of political parties we have. I mean to protect this country, and you cannot protect it if you are going to destroy all the family-type farms in America, and that is just what you are doing now. For 4 years now I have been telling Benson and the public that the acreage program would not work, but as long as I was not on the Committee on Agriculture, I did not get very far with my ideas about agriculture. You have to be on that committee, you know. You might have been a druggist before you came here, but after you get on that committee, you are a farmer. Well, I never got on there. I tried to, but they put me down trying lawsuits. I preached that acreage limitations would not do any good. I am limited to 40 acres, but just as soon as I know I am limited to 40 acres I send for experts, and they come tumbling in from every university in this country, experts on soil, and they will show you how to raise more grain on 40 acres than you could on 80, and the Government is behind it. They cut you down on one side and then send the experts in to raise more wheat. The bushel program should be adopted and applied to farms, except the family-type farms. Leave them alone. Leave them raise what they want to raise with the support price, but anything bigger than that, limit them by bushels. But if it is anything larger than that, they limit them by bushels. Let us take the gentleman from Minnesota [Mr. H. CARL ANDERSEN], a big farmer in Minnesota. Suppose his quota of wheat is 8,000 bushels. But he raises 12,000 bushels. Well, he can sell only 8,000 bushels, so he will have to put the other 4,000 in storage, or he can give it away, he can feed it, or he can ship it across the ocean. He can do anything with it he wants.

Mr. H. CARL ANDERSEN. Mr. Chairman, would the gentleman yield?

Mr. BURDICK. I yield to the gentleman.

Mr. H. CARL ANDERSEN. I would not want the RECORD to show that I produce anything like that, because I do not produce a bushel of wheat on that particular farm. If the gentleman is talking of corn, that is another matter.

Mr. BURDICK. I did not want to refer to corn, because you did not pass that bill, and I thought you wanted it passed. I was trying to help you rather than score you.

Then, you see, this extra wheat that he raised would be put in a granary and kept there, and could be used next year. You can see that that would work. And if a man were raising too much, like Campbell, of Montana, who farms a whole Indian reservation, with a field 60 miles long, he would not be raising 200,000 bushels of wheat, because he would only be supported on probably 20,000. It would automatically take care of itself.

But this Committee on Agriculture is afraid of that bushel program as the devil is of holy water. They just will not consider it.

I have only one friend here in the Capital, and that is Secretary Benson. He says now that the acreage program will not work. And I am glad to have some support. I had been scoring him right along, and I am very sorry I did, because he is the only support I have. He says the acreage program will not work. Everybody knows it did not work.

When you come along with the soil bank and reduce the amount of acreage the farmers can put in, then you have got him down to where he must do something else. You Republicans and you high-class Democrats from the South, you do not like to have labor running your business, do you? You are against labor organizations doing too much in politics. But that is what you are going to have if you keep up this program. You are going to have nothing but a labor government, because when you drive the people off the farm, they have got to live, and many of them were tradesmen when they went there. They just bet the Government \$16 that they could prove up on that land. But they had a trade of their own, and they are going right back to the ranks of labor.

The ranks of labor are increasing every day, and the farm population—living on the family-type farm—is disappearing. I can drive you through northern Minnesota, North Dakota, and Montana and by the hour show you abandoned schoolhouses, consolidated schools, because the people have gone. Their homes are abandoned.

If that is what you want to practice, and if you want to believe that the support price given to farmers is the cause of high-priced living, you have got something to think about again.

I have talked to a lot of people here on the eastern seaboard. I want to find out what is going on. They tell me high-price food is due to these support prices. They say the farmers are wallowing in wealth, and they say, "Here we have to pay 26 cents a loaf for bread." And they believe it, when, as a matter of fact, if wheat were 75 cents a bushel, price of bread would be just the same. There is so little flour in a loaf of bread that it does not count. But the East believes that. The East believes that there is still support on beef. Well, there is not. I am raising beef. That is the only business I have outside of fooling my time away in Congress. We are mighty lucky to get 16 cents a pound for a steer; but when he gets down here with all the gyrations you go through to get him here, it is 85 cents a pound; and

these consumers think the support prices are causing it. As long as—

[Here the gavel fell.]

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, I take this time to call the attention of my colleagues to a service in the Department of Agriculture that is doing a fine job for our American farmers.

I refer to the reorganized Foreign Agriculture Service, which my colleague the gentleman from Kentucky [Mr. NATCHER] also mentioned.

I am proud to have had a part in effecting that reorganization in the 83d Congress.

It is building a mighty proud record.

We are all expecting a modest increase in farm income this year. I think it is fair to say that much of this prospective increase can be credited to the magnificent showing in prospect for exports of farm products.

In 1956, the estimated gross income of farmers was slightly less than \$33 billion. Farm exports were valued at just under \$3.5 billion. We are now hoping that in 1957, gross farm income will increase 1 to 2 percent. Farm exports are expected to exceed \$4.5 billion, for an increase of 30 percent.

I believe that we are all not sufficiently aware of how important exports and changes in the export market are to farm income. Some more figures may help. Currently, the produce of about 1 out of each 7 acres of cropland is harvested for export. The comparison by individual commodities is even more revealing. Of the acreage harvested in 1956, preliminary estimates show that 47 percent of the wheat was exported; 44 percent of the rice; 36 percent of the cotton; 29 percent of the tobacco; 20 percent of the fruit; and 16 percent of the soybeans. These figures show the importance of the export market to American agriculture.

While some increases in farm production are continuously necessary to meet our improving levels of living and our increasing population, the foreign market continues to offer a great potential market for the pent-up production capacity of United States farmers.

Over the past 4 years, we have been steadily improving export outlets for United States farm products. The export value in 1952-53 was slightly over \$2.8 billion, compared with the \$4.5 billion, an alltime record, we expect in 1957. This is an important achievement, for which there are a number of reasons. One of these reasons, to which I am addressing myself today, has been the notable contribution of the Foreign Agricultural Service, whose major responsibility is to maintain and expand foreign markets for farm products.

The job of the Foreign Agricultural Service is to help American farmers and American traders export United States farm products. This job is always important, but it is doubly important when farmers are reserving their land, their capital, and their labor, because surpluses block their outlets. This is the



reason that the House Committee on Agriculture has supported strengthening of the Service and the reason why we recommended legislation 3 years ago which resulted in the return of the agricultural attachés to the Department of Agriculture.

Of course, other factors share the credit for this heartening improvement in the level of agricultural exports. A vigorous and aggressive dollar sales program which has had the combined support of the Congress, the administration, and the public has helped. I think current developments have indicated that the Congress was wise in providing surplus disposal legislation. But I have been impressed by the energy and foresight the Foreign Agricultural Service has displayed in seeking and obtaining reductions in trade barriers which other nations have erected against our agricultural exports, and in improving and enlarging their timely reports on the competition we face from other agricultural exporting countries, and on the marketing opportunities that are opening up in other countries. I think they have done an excellent job in staffing the enlarged agricultural attaché service and in carrying out their responsibilities for the administration of the foreign currency sales program. Their marketing specialists are continually searching the four corners of the world for ways to expand current marketings and to build markets for the future. Finally, the foreign market development program carried on cooperatively with the United States private trade groups is proving to be a valuable tool in building markets abroad.

Title I, Public Law 430, also has been important to American agriculture. Programmed agricultural surpluses represent an investment of nearly \$3 billion, of which well over half has already moved abroad. Sales have been made to 31 countries, largely in areas where sales of our farm products are prevented by shortage of foreign exchange. The title I program is making a substantial contribution to the recordbreaking year in prospect.

FAS is working closely with United States farm organizations and private trade groups to develop and expand export markets for our farm products. Their reports and commodity analyses tell of marketing possibilities abroad, helping keep the United States trade fully informed. Specialists travel extensively to keep foreign buyers, Government officials and trade groups up to date on the merits of United States farm products and to pick up information on export possibilities. In cooperation with the private trade and using foreign currencies obtained from sales of surpluses, FAS has started over 70 projects in 22 countries to help expand markets for wheat, cotton, dairy products, tobacco and other leading United States crops. One example is the project to encourage the Japanese to use more wheat products in their diet, carried on in cooperation with the Oregon Wheat Growers League and the Japanese Nutrition Association. The projects are varied. They include not only education and exchange visits but

market surveys, demonstrations, and publications. One distinct kind of activity is participation in International Trade Fairs such as in Barcelona, Spain and Tokyo, Japan which gives foreign buyers a chance to see, feel, and taste our products.

To gain access to foreign markets we must know the factors that affect the competitive position of United States farm products in those markets. This means a lot of basic groundwork, fact-finding, and analysis. Many people in FAS, Washington, and overseas are active in this kind of work.

When we know in which areas of the world our products are, or can be made competitive, the FAS can concentrate its efforts more effectively on helping remove the obstacles to trade and gain further access to markets abroad. This background information helps FAS in its job of reducing or removing quantitative restrictions and other impediments to trade imposed by other countries.

Although progress has been made since 1953 in obtaining relaxation of restrictions against United States agricultural exports, there is urgent need for assuring still freer access of our agricultural exports in many foreign markets.

In this battle for freer trade, one of the more fruitful approaches is through strengthening our trade agreements program. Much of this is done through GATT, the General Agreement on Tariffs and Trade.

The United States has trade agreements with 33 member countries of GATT and separate bilateral agreements with 8 non-GATT countries. In calendar 1955, United States exports of farm products to these 41 countries was \$2,451 million, or 77 percent of the total United States agricultural exports. Comparable data for 1956 are \$3,216 million of farm exports, or again 77 percent of total United States farm exports.

A portion of the work in FAS analyzes the foreign competition our exports must meet and helps farmers find ways to meet it. Country and commodity specialists are systematically compiling, analyzing, and reporting on foreign production, trade, and governmental programs and policies. Foreign production of many items is increasing. Exports of other countries are being pushed and trade patterns are being influenced by a variety of governmental measures. We must know everything we can about all these developments, so we can use our foreign market development forces like a rifle instead of a shotgun. We need this information to keep domestic production and sales programs in tune with the foreign situation. This goes for cotton, wheat, rice, corn, tobacco, soybeans, and every other major farm commodity.

I have been trying to cover the highlights of FAS work and its importance to United States agriculture. One last result of their effort and the total effort to help farmers in this field are the encouraging changes in CCC inventories. In part, because of these boosts in agricultural exports, we are experiencing this year, for the first time in many years, a reduction in the Commodity Credit Corporation investment in price-support

stocks. The peak of almost \$9 billion was reached in February of 1956. Twelve months later it was reduced by about \$600 million, and by next June 30 it should be approximately \$800 million less than a year earlier. The CCC investment in cotton is expected to be down about 3 million bales, rice about 10 million bags, wheat about 150 million bushels. The export totals which are making these reductions possible are wheat, 475 million bushels compared to 344 million last year; cotton, 7.5 million bales compared with 2.3 million bales last year; and rice, 25 million bags compared with 11 million bags last year.

I do not claim that the Service is solely responsible for these accomplishments. Certainly a magnificent contribution has been made by many others concerned with the welfare of our farmers. However, these people have done a truly remarkable job and the contribution they are making will have lasting benefit.

(Mr. HORAN asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I rise to express my sincere regrets and apologies to the conscientious, diligent people of the Department of Agriculture for the baseless attack made upon them by the majority of the Committee on Appropriations in the May 10 report on the Department of Agriculture and Farm Credit Administration appropriation bill of 1958. This report is full of half-truths and innuendoes. Let us look at the facts and set the record straight.

The first point on which I wish to set the record straight is the attack on the soil-bank program. An attempt is made here to attribute the lack of effectiveness of the 1956 soil-bank program to an inherent weakness.

Many times during the period of discussion of the Agricultural Act of 1956 the President and the Secretary of Agriculture pointed out the critical time elements involved in the implementation of the soil-bank program for 1956.

In his discussion before the Senate committee on February 6, 1956, Under Secretary Morse submitted a summary which contained this statement:

If legislative action is not taken prior to April 15 it will be extremely difficult to get a program this year except for wheat seeded in the fall of 1945.

In his April 16, 1956, message regarding his action on H. R. 12, the President said:

The long delay in getting this bill makes it too late for most farmers to participate in the soil bank on this year's crops.

In a letter to Senator AIKEN dated May 22, 1956, the Secretary said:

It will take all the time available to prepare properly for a program on crops planted in the fall of 1956. Farmers would be helped far more, in my opinion, by a constructive program beginning on fall crops than by a hasty, ineffective program on 1956 spring crops.

In view of the impracticability of getting a program into operation this year for both



spring seeded and fall seeding crops, it is recommended that this bill be amended so that the soil-bank program will commence with the crops planted in the fall of 1956.

The President in signing the bill included a statement as follows:

The delay in the bill's enactment, however, makes it virtually impossible to put the soil bank properly into effect in 1956.

However, in Report No. 2197 on the Agricultural Act of 1956 issued May 22, the managers on the part of the House of Representatives included the following statement:

A major provision, dealing with the start of the soil-bank program, was resolved in favor of the House bill. The House bill directed that the soil bank be started with 1956 crops. The Senate bill directed only that the Secretary start the program with the 1956 crop "to the extent he deems practicable." This language, together with the known position of the Secretary of Agriculture on this matter, led to the general assumption that under the Senate provision there would be no serious effort to get the soil bank program underway for 1956 crops.

The conferees accepted the House language with respect to this matter, agreeing to make the soil bank effective immediately, as provided in the House bill. It was recognized, however, that the larger part of this year's plantings have already taken place and it is not expected that any large part of the crop planted will be plowed up or otherwise removed from production as authorized by section 103. The committee recognizes that the Secretary cannot be expected to accomplish the impracticable or to secure any large part of the beneficial results hoped for the soil bank in 1956, but it also recognizes that certain farmers have heretofore planned to participate this year and it is felt that they should be assured of the opportunity to do so.

In accordance with the direction of the Congress, the Department of Agriculture immediately moved to implement the program so as to provide a program for 1956. The requirements of the law were scrupulously adhered to. It was on the basis of the requirements of the law that the 1956 program was developed. This scrupulous observance of the legal requirements was put into effect.

The light of history should be focused on these facts and the program should be analyzed in this light.

The second point on which I would like to set the record straight assigns to the Department of Agriculture the responsibility for reducing acreage of the basic commodities by various percentages.

Every Member of this House knows good and well that the Department of Agriculture was acting in accordance with the requirements of law when it reduced the acreages of the various basic commodities.

Every Member of this House should recognize that each of the various basic commodities has its own rigid formula for the determination of acreage allotments.

Every Member of this House should recognize that the Secretary of Agriculture acted in scrupulous adherence to the requirements of the basic legislation.

There are no ifs, ands, and buts in this matter. If the Secretary had failed

to carry out the requirements of the law there would have been cries of astonishment and quick criticism. If the Congress feels that the acreage-allotment provisions of the Agricultural Adjustment Act of 1938, as amended, are wrong, let us change the legislation and not try to pass the buck to the Department of Agriculture. It should be noted that on March 13, when we had an opportunity to increase the acreage limitation for corn, many members of the Committee on Appropriations turned their back on the corn producer. The record shows that the chairman of the subcommittee, who today directs this appropriation bill, voted against increasing the acreage base for corn producers. Why all this doubletalk?

The third point on which I want to set the record straight is the phony calculations first presented during the recent election campaign regarding CCC inventory. In this comparison, comparison is made between stocks on January 1, 1953, and stocks 4 years later.

When the present administration took office in January 1953 the CCC inventories and commitments under the 1952 and prior year price supports approximated \$3 billion. However, the previous administration had announced that unlimited production for corn, wheat, and cotton would be permitted for the crop year 1953. This decision is difficult to justify since all of the statistical and economic information available indicates that limitations on acreage and marketing of these crops were necessary. This meant that the administration could take no action on production controls until the end of the 1953 marketing season, at which time the CCC investment in price support operations had doubled to \$6.4 billion.

This was the inheritance—a surplus, primarily in corn, wheat, and cotton. These are the very crops for which the previous administration did not impose controls in 1953. To add further to the problems left by the previous administration, rigid mandatory 90 percent price supports—intended as a production incentive—were required by law to be in force on the 1954 crops in line with legislation passed in 1952. This meant that the present administration could do little to affect the rate of CCC inventory accumulation until the harvest of the 1955 crops.

A really honest comparison to reflect the changing in inventories and other price support commitments would be a comparison between June 30, 1955, and June 30, 1957. The CCC commitments on those two dates are \$7.1 billion and \$7.5 billion respectively.

The administration is doing a spectacular job in its sales and other disposals of CCC stocks.

Let us review some of the basic statistics. Let us look at the facts in the case.

Twice in its history of liquidating surplus stocks the Commodity Credit Corporation was in a wartime "seller's market"; that is to say, conditions were favorable for disposals at a minimum of loss. During the World War II period and again during and after the Korean emergency, prices were rising. There

was an expansion of demand for commodities.

Liquidation at the present time is being undertaken at a time when there is no emergency demand for commodities, though Europe has been temporarily caught with short supplies of wheat and oil crops. Europe has also been replenishing its cotton stocks, and stoppage of traffic in the Suez caused some shifts in import patterns. But, on the whole, it has been a peacetime "buyer's market."

But even in the absence of emergency demands abroad, CCC managed to raise its sales and other disposals in fiscal year 1956 to an alltime peacetime high of \$2,723,000,000. It is estimated that 1957 figures will reach a still higher total of \$3,976,000,000.

A noteworthy fact is that sales and other disposals, even on so large a scale as this, have been accomplished without disrupting market prices at home or abroad.

I am sure that all concerned are encouraged by the fact that agricultural exports as a whole have been setting new value and quantity records. During the first 8 months of fiscal 1957—July to February—they gained 48 percent in value and 53 percent in quantity over the same period of a year earlier. At this rate, total value of farm exports for all of 1956-57 should reach the alltime high of almost \$4.5 billion, or about \$1 billion more than in 1955-56. Chief gains this year have been cotton, up 355 percent; grains and feeds, up 46 percent; vegetable oils and oilseeds, up 29 percent; and fruits and vegetables, up 20 percent. About three-fifths of total agricultural exports have sold for dollars.

Commodities covered by title I, Public Law 480 agreements with 31 countries total about \$1.8 billion at export market value, which cost the CCC \$2.9 billion, not counting ocean transportation costs financed by CCC. Well over \$1 billion worth has already been exported. Shipments during the current fiscal year have been averaging about \$60 million a month, or about 16 percent of total agricultural exports.

More than 430 million bushels of wheat and wheat flour have been programmed—including the 1958 and 1959 fiscal year portions of the India and Brazil agreements—of which over half has already been exported. Title I programming also includes about 2.5 million bales of cotton, of which more than 1.5 million bales have been exported; 22 million bags of rice, of which about 15 million have been shipped; 145 million pounds of tobacco, of which more than 110 million pounds have been shipped; 1.2 billion pounds of cottonseed oil and soybean oil of which more than 900 million pounds have been shipped; 75 million bushels of feed grains of which more than 55 million bushels have been shipped; and about 150 million pounds of meat and more than 200 million pounds of lard, of which more than half have been shipped.

The title I program to date will result in shipment of more than 16 million metric tons, of which over 9 million have already moved. Shipments for this fiscal year—July to March—total more than 4.5 million tons.



So far as the soil bank is concerned it seems to me that the program was approved with bipartisan support. 1957 was the first year of full operation under this program. I am sure that when all the data are in that the results will show a great achievement. Certainly its not a perfect program. Certainly it can stand improvements, but the improvements cannot come by crippling the administration by withdrawing necessary funds. If it is the desire of Congress to do away with the soil bank program let us be honest and do it in a forthright manner through the House Agriculture Committee, and not by slowly withdrawing its lifeblood. I, for one, believe that the soil bank can in great part do what it was designed to accomplish. Let us give it a chance.

(Mr. ARENDS asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, according to my information Agriculture Department officials are in agreement that the soil bank program was a failure last year as far as reducing surplus crops was concerned. It is generally agreed, I am informed, that most of the payments made under this program, which amounted to approximately a quarter of a billion dollars, which were paid to farmers was for rental of land which because of drought or some other reason would not have produced much anyway. It most cases the soil bank takes poor, nonproductive acres out of production, and entails, on the other hand, growing more of the same crops on other acres. I have read that this year's soil bank program will cost \$1 billion and still will not be effective in obtaining the desired reduction in production of certain so-called basic commodities. Mr. Chairman, I see that Secretary of Agriculture Benson says our agricultural program is unworkable. He says it simply shifts surpluses from the five soil bank crops—cotton, wheat, rice, tobacco, and peanuts—to new surpluses of crops such as soybeans, oats, barley, flaxseed, dry beans, and the like.

The printed report on the Agriculture and Farm Credit Administration appropriation bill, H. R. 7441, points up the ridiculous contradiction of spending \$1 billion to remove cropland from production to cut down on the surpluses, and then at the same time of spending millions of dollars to provide research and educational activities to teach farmers to increase yields and expand their production. The latter programs in H. R. 7441 I notice include \$48,994,890 for research in 1958, \$29,503,708 for State experimental stations, and \$49,101,000 for extension service to take the research results and other agricultural information to the farmers.

Another contradiction which is not mentioned in the report as such, but rather is free from comment, is the \$250 million in this bill for 1958 agricultural conservation programs. Conservation is a "sacred cow," I know, but purchase of

fertilizers and lime, in my judgment, are not properly conservation. Planting of seeds and trees and soil-terracing services, on the other hand, properly can be called conservation.

Actually there is very little benefit to the individual in the lime program because payments to individual farmers are small. I recall it was testified 1 year that one-third of the payments were less than \$60 per farmer. But my main objection to these limestone and fertilizer expenditures is that they are not genuine soil conservation. If I am successful in being recognized for the purpose I will put in an amendment to cut out the words "fertilizer, lime," on line 21, page 18 of the bill, and likewise to reduce the \$250 million appropriation by \$69.7 million to \$180 million, thus reducing the total in the amount of these 2 giveaway programs. On lime we spend about \$31.9 million, and on fertilizer about \$37.7 million.

Likewise I wish it were possible for me to effect another saving; namely, to eliminate peanuts as a basic commodity. I cannot see any justification for considering this commodity, grown only in five States, as basic. It has cost taxpayers of America \$133 million to support the price of peanuts. The results have been the price per pound is so high the housewife cannot afford to buy them, and the candy-bar manufacturer cannot afford to use peanuts in a candy bar.

When it comes time to vote on amendments, as we read this bill, I shall be on hand. I shall listen as I have already today as in past years to eloquent recitals of what we owe the farmer because of his contribution to the war effort more than a decade ago. I shall listen to the appealing dissertations as to what is wrong with the Republican program and the administration of various programs. All the woes of the farmer will be explained and the broken promises of my political party and Secretary Benson exposed for posterity.

But, Mr. Chairman, no one will arise and frankly say that the farmer gets special treatment on his income tax, that he gets exemption from gasoline taxes, that his products can be transported in unregulated trucks, that his cost of food often is small compared with the city dweller. No one will recite all the special treatment and benefits or the cost of such treatment and benefits to the city dweller—and the added living cost to the city wage earner and consumer as a result of such matters, as well as increase in his Federal taxes.

All I can say is, the farmer is important, but only in exactly the same ratio as any other population group based on its production and buying power in the scheme of living in America and its living standard.

I think actually we are hurting the farmer with overindulgence. I support education and research for agriculture and all groups and individuals in America, but thereafter I say we are on the wrong track.

The \$5 billion Federal cost of the farm subsidy and assistance program might be better credited to the farmers' income tax or given them in cash. This would

eliminate administrative expense and other Government costs which are not direct benefits. At least that would cut down the size of Government and indirectly help all taxpayers. I fear, Mr. Chairman, it is a case where the farmer can save himself from his enemies better than he can save himself from his friends and Representatives in Congress.

As for myself, Mr. Chairman, I am inclined to vote against H. R. 7441. In all conscience I cannot find it in my heart to vote for a measure to finance agricultural programs which it is admitted are failures. The least we could do with this bill would be to cut out items to expand production—like fertilizer and lime—since the idea is to reduce overproduction. But, in the overall desire to cut the budget here is one Department where I would use a meat ax.

(Mr. PELLY asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, I have no further requests for time.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, it has been a pleasure for me to serve on the Subcommittee on Agricultural Appropriations. The able chairman of our committee, Mr. WHITTEN, a tireless, hard-working Member of this body, has been more than considerate of me and that has made my work enjoyable. Mr. NATCHER, our able Member from Kentucky, can always be depended upon for constructive, courteous advice. He is every inch a gentleman. My colleague from Minnesota, H. CARL ANDERSEN, leaves no doubt that he is consistently on the side of the farmer. WALTER HORAN, from the State of Washington, brings to the committee the frankness and friendly attitude of cooperation noticeable in people from the Western States. It is a pleasure to serve with Congressman VURSELL, from Illinois. He is practical in his approach and has a philosophy of life that is at all times enjoyable.

I have the friendliest feeling for all members of the subcommittee. While we have our differences of opinion there is no ill feeling or rancor among us. All of us, regardless of party, have the welfare of the people of the United States at heart. All of us have long been associated with farm problems and each in our way try to be constructive in solving these problems.

All of us are concerned about the farm problem and each of us would like to see a solution put forth. Each of us deplores the waste of funds and the ineffective use that has been made of them. We want the farm people of our country to have equality with other economic groups in the country. We want the farm people to have a return on their investment and their labor that will establish for them a standard of living in the American tradition.

We want the farm homes to be prosperous. We want the children of farm families to have the same educational advantages as urban families. We desire



that the health needs of rural people be met. This can only be done by wise action on the part of Congress coupled with the proper philosophy and administrative action by the Department of Agriculture which administers the laws.

During the time General Eisenhower has been in the White House I have found myself in disagreement with the farm philosophy and farm policy of his administration. Today after a little more than 4 years of that administration we find:

Net farm income has gone down \$2.5 billion, or 17.5 percent.

The farmer's share of the consumer's dollar has dropped from 47 cents to 40 cents—down 15 percent.

The return to the farmer for an hour of labor he puts in has dropped 121/2 cents—from 821/2 in 1952 to 70 cents last year.

Capital investment per farm has increased over 15 percent.

The farm debt has gone up more than a fifth—from \$14.8 billion in 1952 to \$18 billion in 1956.

During the same 4-year period costs per farm have increased about 10 percent, reflecting increases to nearly every other group.

Price supports have been lowered 18 percent on milk and butterfat; they are down a fifth or more on corn, rye, and soybeans; they have been dropped a fourth on flaxseed, oats, barley, and grain sorghums.

During this period of deliberately lowered price supports, the general level of farm prices has declined in about the same proportion as income.

Do these facts portray the policy? I think they do. The speculation of what might have been or who is to blame is stirring the ashes of the past. The Eisenhower administration is in charge of the executive branch of the Government. It is their responsibility to lead us into the future and to propose those things that are needed for the benefit of our national welfare, of which agriculture ought not to be a forgotten part. I and other members of our Committee prefer to be a part of a constructive crew, not a wrecking gang. We propose to move forward, to keep in progress with the time and to build future American strength and American ideals.

That is why your committee is interested in soil conservation. That is why we have repeatedly tried to protect funds for soil and water conservation from indiscriminate budget cutting. We, as a committee, have withstood assaults from the administration to do what we feel would weaken these activities. Your committee would like to expend more of the public funds constructively and economically to save our soil and water resources for coming generations. We feel that such action is necessary for the future of a secure America. We are concerned because the administration has seen fit to create more agencies to add more personnel and to spread the direction of this program through all of the agencies to such an extent that we feel our bureaus have been overburdened with conferences and redtape. The suggestions that come from farmers

through the farmer committees of all the agencies have been largely ignored. These farmer activities are a vital and essential part of soil and water conservation work, as well as all phases of agriculture.

The committee feels that soil and water conservation must take place on the land and that funds should not be dissipated around the conference table. Let us do these things now before it is too late. In order that conservation programs in the Department may be brought together, your committee has combined these activities in one place in our committee report.

Time does not permit as much discussion of conservation resources one would like to spend on it. There is no question concerning the importance of this problem, which has long been recognized as a responsibility of the Federal Government, working with rural people.

After conserving resources, the next item that follows naturally is the proper development of these resources. The demand on the United States to feed and clothe not only our own citizens in these turbulent times, but also many of the people of the world has brought about a dislocation and has created incentives that the administration finds so troublesome.

There are those who place the blame on price supports. These folks overlook the reasons for them and ignore history. The experience of the early twenties are still vivid in my memory. During World War I the slogan "Wheat Will Win the War" was shouted from the roof tops. Acre after acre was brought into production. The wheat was produced. Then after the war, prices collapsed. This happened not only in wheat but other farm products.

In the last World War the farmer was asked for all-out production again—and again the farmer delivered what was asked of him. No soldier was denied a decent ration because the farmer failed to produce for his every need. There was food in plenty at home, and enough held over so that after the war enough could be exported to our allies to help them through their immediate postwar difficulties.

The second time, price-support legislation was enacted by the Congress to give the farmer some of the kind of protection industry always has obtained in cost-plus contracts and reconversion payments. The protection was provided. The cost compared with payments of all types to industry has been relatively small. The protection given would be cheap at double the cost, if the administration could learn to use price supports wisely to avoid a farm depression instead of bringing it about.

The weakening of price supports has, in my estimation, been the glaring weakness of the Eisenhower administration. In this regard I challenge anyone to show where we have lost one penny's worth of world trade because of our price-support program. In our hearings, time after time, the Department of Agriculture admitted to our chairman that they had the legal power to sell agricultural commodities at a competi-

tive price in world trade as provided in the charter of the Commodity Credit Corporation. This was written so clearly in the charter that it could not be denied. It is clear that our price-support program has not had any effect upon our world trade whatsoever. The neglect of this administration to use the legal power it possesses is a most important factor, however. The next item then must be our domestic trade. There the facts are revealing, for while our farm prices have dropped, the consumer prices have remained practically constant.

The Department of Agriculture has a series of cost figures running back through the years on what it calls the farm market basket. This is a fixed volume of farm products sold at retail and adjusted from time to time to reflect marketing trends.

During the last 4 years the cost of the market basket to the housewife has increased by \$5,100,000,000. The amount the farmer received for these same products went down by \$6,300,000,000 during the same period. The cost of marketing these products went up \$11,400,000,000. It is pretty much the same old story of the farmer getting less; the consumer paying more, and the processor getting rich.

What if farm prices had gone up as much as other prices during the time they were going down? A Department of Agriculture witness testified before our subcommittee that this would have raised the cost-of-living index from 3 to 4 percent, or 3 1/2 to nearly 5 points. A rise of only 1 point in the consumer price level would cost consumers \$2,500,000,000, according to the testimony of the Governor of the Federal Reserve Board before the Joint Economic Committee of Congress.

We are pleased the Committee on Agriculture has set up a subcommittee under the chairmanship of the able gentleman from New York [Mr. ANFUSO] to go into this problem. We are hopeful that much light can be shed on this matter. I fear it will disclose that the administration has been guilty of assisting those who traditionally make it a practice to farm the farmer. I might add that our committee for several years has pointed out what we felt to be alarming trends in this direction. If domestic consumption is to be increased by price reduction it means that handlers of agricultural commodities must decrease their profits in line with farm price reductions imposed upon the farmers by the Eisenhower administration. I must hasten to add that this negative farm policy is one that I entirely disagree with. Any open-minded person, after studying the record, will come to the same conclusion.

I have an abiding faith in farm people and the future of American agriculture. The American farmer exists today in a complex regulated society. Industry and labor enjoy protection and safeguards to their welfare that have been built up over the years by a benevolent government. Can agriculture, on a free-market basis, successfully compete with these other protected groups in our economy? Should not American farmers receive



the same consideration from their Government in solving their problems?

The majority of farm families accept this philosophy, and on every occasion, when given the opportunity in a referendum, they have expressed their desire to work out their problems through group action and cooperation with the Government. They realize that they cannot be exponents of free enterprise on an island removed from the rest of our protected, regulated, and at times, pampered society.

The majority of farmers understand this. The majority of Congress has plainly understood it in the past. The Eisenhower administration refuses to recognize this and goes blindly on belittling farm programs and making them ineffective. For how long must this blight upon the prosperity of American farm homes remain?

Many economists in the country are pointing out that there are too many people on the land. They seem to feel that fewer people on the land will in some way work us out of our production problems. There is no greater fallacy than this. Experience proves that fewer people and more machines on the farms have the effect of increasing our overall production. Look at the recent records of American Agriculture. Fewer and fewer people on the land have been producing more and more. We have not approached the point where farmers leaving the land will have the effect of decreasing production. Our policy should not be to replace farm people with farm machines. It should be to make it possible for more people to make a living on the land. Assistance must be given to American agriculture through research, marketing, and management to bring this about. Farm people traditionally have been a stable and strong influence in all powerful countries, and the United States is no exception.

Farming is a way of life, and that way of life can be a happy one. Farm homes today enjoy many benefits brought to them by programs developed during the Roosevelt administration. REA has lighted their homes, for example. Insured bank deposits have given security to their investments. Over and beyond these, other programs have given farmers a greater confidence and capability to manage and conduct programs for their security and the welfare of the Nation.

My firm conviction is that they will not permit these things, of which they are constantly reminded, to be taken from them. It is hard for the farmers to understand why the Eisenhower administration does not understand them or their problems, and that the neglect of these problems is leading them to economic disaster.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from North Carolina [Mr. FOUNTAIN].

Mr. FOUNTAIN. Mr. Chairman, I should like to call the attention of the Members to the very successful polio-vaccination program conducted on Capitol Hill on Tuesday, Wednesday, and Thursday of last week. More than 1,600 persons received polio shots during the

3 days paying \$1 per person. The actual cost of the vaccine used was 63 cents per person. The Congressional Secretaries' Club, which sponsored and organized the program, paid all other necessary costs out of the club treasury, and 37 cents of each dollar paid by the person vaccinated will be donated to the National Foundation for Infantile Paralysis. I understand the first contribution to the foundation will amount to about \$600. I am told that similar contributions will be made at the conclusion of the second and third shots in the recommended series of three.

All the individuals who participated in the organization and carrying out of this fine program deserve to be commended. Particular credit is due to Miss Marie Warne, of the office of the gentleman from Nebraska, Congressman MILLER. Miss Warne is chairman of the polio-vaccination committee of the Congressional Secretaries' Club. The program could not have been accomplished without the invaluable assistance of Dr. Grace L. Stone, who has charge of the polio program for the District of Columbia public schools. Dr. Stone arranged for use of syringes and other equipment needed for the program as well as very generously offering advice and cooperation in its organization.

Among the others who deserve commendation for this very notable accomplishment are:

Miss Grace Matthews, registered nurse, head nurse for the District of Columbia Health Department, and Mrs. Ruth Woods, of the District of Columbia Chapter of the American Red Cross, who assisted in obtaining nurses and nurses' aids for the program.

Lt. George Kleinfeld, Medical Corps, USNR, who generously volunteered to supervise administration of the shots.

Dr. George W. Calver, attending physician to the Congress, who assisted in obtaining a physician to supervise the program and also administered shots to a number of Hill employees.

Polio shots were very skillfully administered by Mrs. Evelyn Houser, R. N.; Mrs. Cecilia Dana, R. N.; and Hospital Mate Second Class Winnie L. Ulrich, a Navy nurse who volunteered her services. I am informed by some of those who received shots that the procedure was fast, efficient and so painless that the needle could hardly be felt.

I will not attempt to mention them by name, but I think that all of the officers and members of the Congressional Secretaries' Club who participated in organizing and conducting this program deserve our commendation. Our commendation is due particularly to all of the charming young ladies who graciously assisted in performing clerical duties connected with the program. Our thanks are due also to our own nurses in the House and Senate, Mrs. Hazel Goff, Mrs. Ruby Fipps, and Mrs. Clara Ruckman.

Mr. Chairman, the polio vaccination program conducted by the Congressional Secretaries' Club is an outstanding example of what can and should be done to protect the health of our Federal employees. In March I wrote to the head of each of the larger Federal Departments

and agencies urging the establishment of appropriate programs for Federal employees. The Intergovernmental Relations Subcommittee of the Committee on Government Operations, of which I have the honor to be chairman, recommended unanimously on March 28 that the Department of Health, Education, and Welfare, through the Public Health Service, take prompt steps to encourage polio vaccination programs for Federal employees at their places of work. The subcommittee's recommendation did not involve expenditure of Federal funds, since we specifically suggested that the programs be paid for by the employees themselves, just as is being done by employees on Capitol Hill. It was made because our study had convinced us that thousands upon thousands of persons who otherwise would never get this protection would take advantage of polio shots available at their places of work. We were surprised to find, for example, that nearly 2 years after the vaccine became available in the age group between 20 and 40 only 1 person in 42 had received the full 3-shot series, and only 1 out of 6 had received any vaccine at all.

On March 28 the subcommittee unanimously asked President Eisenhower to publicly endorse on-the-job polio vaccination programs. Although it is my understanding that polio shots were arranged for the White House staff, I regret that the President has not yet seen fit to endorse appropriate polio vaccination programs for other Federal employees—especially where they work together in great numbers in large metropolitan areas. I regret also that the Public Health Service has not yet given effective leadership in bringing the protection of the Salk vaccine to Government workers, even though many private corporations have demonstrated that employee vaccination programs can and will reach many persons who would not otherwise be vaccinated. No Federal funds would be needed for these programs, since the employees themselves would and should be more than willing to pay the cost.

I realize that the supply of vaccine may not be presently adequate to conduct immediate vaccination programs for all Federal employees. However, there is little evidence that any planning has been done for that day in the near future when vaccine is plentiful. With very few exceptions, "on-the-job" polio vaccination programs have not been carried out or even planned.

The Congressional Secretaries' Club has shown what can be done, especially in areas of mass employment. I hope their example will be followed.

Mr. WHITTEN. Mr. Chairman, we have no further requests for time on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Be it enacted, etc.,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, namely:

Mr. MARTIN. Mr. Chairman, I make the point of order that a quorum is not present.



Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year 1958 had come to no resolution thereon.

#### SPECIAL ORDER VACATED

Mr. BOYLE. Mr. Speaker, I ask unanimous consent that the special order granted the gentleman from Ohio [Mr. VANIK] today may be vacated and that he may be granted the same privilege under the same conditions tomorrow.

The SPEAKER. Is there objection? There was no objection.

#### POLISH CONSTITUTION DAY

(Mr. PHILBIN asked and was granted permission to extend his remarks at this point in the RECORD and include extraneous material.)

Mr. PHILBIN. Mr. Speaker, I would like to insert in the RECORD an outstanding and most impressive guest editorial from the celebrated Journal-Register, of Palmer, Mass., written by Mr. Bogulaus S. Grzywna, delegate to the United Polish-American Organization Council and president of Polish National Alliance in his area.

It is most appropriate that Mr. Grzywna's eloquent remarks on Polish Independence Day should stress the need for liberation and assistance for the oppressed people of Poland.

This is an objective to which all true Americans are pledged. It is an objective for which I have worked unceasingly for several years past, and I propose to continue my efforts until, God willing, final victory has been won.

I compliment Mr. Grzywna for his memorable and forceful editorial, which is, in my judgment, a real contribution to the contemporary discussion of the great human question of liberation and relief for the Polish nation and its gallant people.

#### POLISH CONSTITUTION DAY

(Guest editorial by Bogulaus S. Grzywna, delegate to the United Polish-American Organizations Council, township of Palmer, and president of Polish National Alliance, group 2170, Three Rivers, Mass.)

May 3 marks the anniversary of one of the great human documents of the age of democracy, the Polish Constitution of 1791—a document including guarantees of religious toleration and freedom of thought that compare favorably with the guarantees in our own Constitution.

The Polish people have been victimized beyond the experience of most European peoples by conquest, partition, invasion, oppression across centuries. They are held today as the creatures of a government satellite to the Soviet Union and maintained in power only by the Red army.

But under the successive oppressions of the past the Polish people never lost their sense of nationalism and never lost their dedication to the principles of freedom. These emotions were so strong within them

that after nearly a century and a half of foreign occupation Poland rose again. Poland will rise yet once more as an independent nation, capable of asserting her right to self-government.

Neither the Polish people nor we in America can ever accept the present condition of Poland's existence. A nation enslaved calls for our help. We continue to look to total freedom as the goal for the Polish nation. The American people will never cease to work for this goal. We know that the tyrant will be thrown off.

In their long history the Polish people have had little opportunity to enjoy freedom, yet they have constantly and valiantly struggled to attain it. Despite the suffering of invasions, partitions and occupations, Polish patriotism has never faltered.

Poland sent her finest spirits, General Pulaski and General Kosciuszko, to fight with the armies of George Washington and to help the infant States of America win their freedom.

Since the days of the American Revolution Polish blood has been shed for the preservation of American liberty. Such patriots as Thaddeus Kosciuszko and Casimir Pulaski and almost a thousand other Polish patriots fought for the Continental Army. During the Mexican, Civil, and Spanish-American Wars Americans of Polish descent died for the preservation of American freedom. More recently, during World War I 300,000 Polish-Americans served in defense of their adopted country, and in World War II more than 900,000 served.

As Polish patriotism contributed to the security of our country, their stability aided in its development. The Polish immigrants come to America endowed with a capacity for perseverance and a love of God. The Poles are not afraid of work. They cultivated our soil; constructed our railroads; developed our coal, iron, and copper mines; and as they gained proficiency, contributed to the expansion of our industry. Their religious faith has also made them peaceful, loyal, and law-abiding citizens.

Our Polish-Americans have helped in building American civilization and culture. The cultural achievements of Poland have become a part of the varied culture of America. The Poles have also contributed to the spiritual and religious growth of our country.

Today the anniversary of Polish Constitution Day, is an appropriate occasion for all Americans to express their appreciation to all Polish-Americans for their contributions in the defense and development of our great country. It is also an opportune time to assure Americans of Polish descent that we will join in their prayers for the enslaved relatives and friends in their native land.

The reestablishment of Poland as a truly sovereign nation, free to guide her own destinies, is an objective that we must never allow too far from our thoughts and memories. When the day comes again that Poland is free, the celebration of her great Constitution Day will be a celebration in which all of aspiring mankind can share.

It is my fervent hope on this anniversary of the Polish Constitution Day of May 3 that the courageous Polish people will be shortly rewarded for their faith in the noble principles embodied in that great document and for their perseverance in pursuing their ideals.

#### CORRECTION OF ROLL CALL

Mr. BECKER. Mr. Speaker, on roll-call No. 68 yesterday I was recorded as absent. I was present and answered to my name, and I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection? There was no objection.

#### THE FLIGHT OF THE LEAD-ZINC INDUSTRY

(Mr. DIXON asked and was granted permission to address the House for 1 minute and to revise and extend his remarks and include certain extraneous material.)

Mr. DIXON. Mr. Speaker, the attention of this House should be called to the plight of our domestic lead-zinc mining industry.

That industry today is confronted with the following disastrous problems:

First. Price of lead-zinc has dropped to 11½ cents in the past 10 days.

Second. The Department of Agriculture has temporarily suspended buying of free-market world lead-zinc under the barter program.

Third. The industry is faced with widespread mine shutdowns and layoffs.

We cannot afford to rely solely upon foreign sources for these strategic metals. If we do, in time of war it could be a fatal mistake.

There is one bright spot in the picture. I learned from the Office of the Secretary of the Interior this morning that he will soon submit to the Congress a long-range mining-policy proposal.

The specter of mine closures and unemployment today is a haunting one, but an even more frightening episode may someday occur when our own mines have closed, our reliance on foreign imports for strategic metals is nearly complete, and we find ourselves in a war for survival.

Gentlemen, it is a relatively easy task to close a mine. In most instances it can be done in a few days. When a mine has been neglected through disuse for long periods of time and fills with water, and the mining families have moved away, it sometimes takes months and even years to reopen a mine. This is an undesirable situation in times of peace, and it could be a mortally bad mistake in a time of war.

The price of zinc has fallen to 11½ cents per pound. It is impossible for the great majority of our domestic mines to operate at anything near a profit at this price. What is the problem and reason for the steady declines in price? It is simply this: Our mines and miners are in competition with foreign sources of supply and cheap foreign labor. Mine operators cannot pay the wages which American miners deserve as a just share of our prosperity and still compete with foreign operators and laborers.

Our domestic lead-zinc industry is being made an unwilling sacrificial goat on the altar of a program whereby we are placing our mines and miners in competition with foreign wages with which they cannot successfully compete.

This Government has imposed rigid export controls over such items as domestic scrap iron to help eliminate shortages. If this is desirable, why should not we then impose controls to help eliminate domestic surpluses through import controls?

The barter program has been a noteworthy and beneficial help to our mining industry. This program allows the Secretary of Agriculture to barter our agricultural surpluses for the products







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued May 16, 1957  
For actions of May 15, 1957  
85th-1st, No. 81

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HIGHLIGHTS: House passed agricultural appropriation bill. Senate passed State-Justice-Judiciary appropriation bill. Senate committee reported third supplemental and Commerce appropriation bills. Sen. Morse criticized farm program and farm prices. Sen. Allott introduced and discussed bill to consolidate certain farm loan laws. Sen. Morton inserted Under Secretary Morse's Lexington, Ky. speech.

## HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1958. Passed with amendments this bill, H.R. 7441. (pp. 6159-87)

Agreed to the following amendments:

By Rep. Harrison, Va., 192 to 187, to provide that no part of the appropriation shall be used to formulate and administer an acreage reserve program with respect to 1958 crops. (pp. 6172-82, 6186-87).

By Rep. Reuss, as amended by an amendment by Rep. Abbitt, to limit to \$2,500 the amount of payments any one farmer may receive in 1958 under the acreage reserve program (pp. 6182-84).

Rejected the following amendments:

By Rep. Wier, to increase the appropriation for meat inspection from \$16,586,000 to \$18,718,000. (p. 6160)

By Rep. Becker, 26 to 58, to delete from the bill both the electrification and telephone loan authorizations for REA. (pp. 6161-64)

By Rep. Rees, 72 to 74, to reduce the limitation on the maximum ACP payment to any one farmer from \$2,500 to \$1,500. (pp. 6166-70)

By Rep. Pelley, to reduce the advance ACP authorization from \$250 million to \$180 million, and to delete the words "fertilizers" and "lime" as items which may be furnished as a part of advance conservation materials and services. (pp. 6170-72)



The provision in the bill to extend to employees of FAS in foreign countries the same facilitating authorities now available to Foreign Service employees of the State Department was stricken on a point of order by Rep. Rooney. (p. 6161)

2. BUDGET. The Government Operations Committee submitted a report on the review of the budget formulation and presentation practices of the International Cooperation Administration (H. Rept. 449). p. 6195  
Rep. Collier discussed the size of the budget and called for a reduction in Federal expenditures. pp. 6192-93
3. RECORDS MANAGEMENT. The Government Operations Committee reported with amendment H.R. 5110, to provide for the transfer to the National Archives of any records of any Federal agency where such records have been in existence for more than 50 years and are not needed by the agency in conducting current business (H. Rept. 450). p. 6195
4. DAIRYING. Rep. Laird reviewed the history and importance of the American dairy industry, and paid tribute to its part in the Jamestown Celebration this year. p. 6193

#### SENATE

5. APPROPRIATIONS. Passed with amendments H.R. 6871, the State-Justice-Judiciary appropriation bill, which had been reported with amendments during the adjournment of the Senate (S. Rept. 303). All committee amendments were adopted and an amendment by Sen. Johnson requesting USIA to inform Congress of any finding that overseas Government information activity will not prevent private U.S. concerns from selling information overseas. Conferees were appointed. pp. 6197, 6233-4, 6240-75  
The Appropriations Committee reported with amendments H.R. 7221, the third supplemental appropriation bill for 1957 (S. Rept. 310). pp. 6200, 6211  
Received a message from the President transmitting a proposed provision for the Southeastern Power Administration in the Interior Department appropriation for 1957 (S. Doc. 37); to the Appropriations Committee. p. 6198  
Received a message from the President transmitting a proposed supplemental appropriation to pay claims against the U.S. (S. Doc. 38); to the Appropriations Committee. p. 6198
6. FARM PROGRAM. Sen. Morse criticized the Secretary for the levels of farm prices, inserting a table showing parity price comparisons for various farm products, and urged greater efforts to get food to hungry people. He inserted a farmer's letter criticizing the farm program. pp. 6285-6
7. ELECTRIFICATION; RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 60, to authorize construction of the Fryingpan-Arkansas project (S. Rept. 325); and reported without amendment S. 555, to authorize construction of Hells Canyon dam (S. Rept. 324). p. 6200  
Sen. Morse criticized the partnership program in public power, urged construction of John Day dam and other Federal multi-purpose projects, and asserted his support for the preference clause in those instances when it is fair to the greatest number while refusing to let "the public-preference clause be a sacred cow in my political philosophy." pp. 6276-84
8. TAX AMORTIZATION. Sen. Goldwater inserted a list of tax-amortization certificates granted in the Northwestern U.S. and an article to show how many such certificates were granted to public utilities. pp. 6230-1





# Congressional Record

United States  
of America

PROCEEDINGS AND DEBATES OF THE 85<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 103

WASHINGTON, WEDNESDAY, MAY 15, 1957

No. 81

## House of Representatives

The House met at 12 o'clock noon.

Rev. K. Warriston McCracken, associate minister of the New York Avenue Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, our Father, we are here today with great responsibilities of which most of us are conscious. So move by Thy spirit within us that we may seek what is best for all people involved in every situation to which we have any relation. Help us to find the wider vision that sees service and not selfishness, principles rather than pride, justice rather than justification.

We thank Thee for the incentive to goodness that prevails within our lives. Enable us to find in the knowledge of a task well done our satisfaction and our reward. Keep us humble in the midst of our opportunities so that we see ourselves as means to an end and not as the end in itself.

Direct us throughout this day that our thoughts may be clear, our speech concise but not offensive, our work worthy of the legislature of which we have been called to be a part. This all we pray in the name of Jesus Christ, our Lord. Amen.

### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

### SPECIAL ORDER VACATED

Mrs. KELLY of New York. Mr. Speaker, I ask unanimous consent that the special order granted me for tomorrow be vacated.

The SPEAKER. Without objection, it is so ordered.

-There was no objection.

### CORRECTIONS OF ROLL CALL

Mr. HESS. Mr. Speaker, on rollcall No. 71 I am recorded as being absent. I was present and answered when my name was called. I ask unanimous consent that the permanent Record and the Journal be corrected accordingly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SILER. Mr. Speaker, on rollcall No. 72 I am recorded as being absent. I was present and answered to my name. I ask unanimous consent that the permanent Record and the Journal be corrected accordingly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

### THE LATE CAROL COOK ALLEN

The SPEAKER. The Chair recognizes the gentleman from California [Mr. JACKSON].

Mr. JACKSON. Mr. Speaker, it is with deep regret that I announce to the membership of the House the passing on yesterday of the wife of our esteemed colleague, the Honorable JOHN J. ALLEN, JR., of California.

The unexpected and untimely death of Carol Cook Allen comes as a great shock to all who knew her as a gracious lady and a devoted wife and mother. Mrs. Allen was a native daughter of California and was married to our colleague 31 years ago. To this union were born two daughters, Ramona and Suzanne.

I know that I express the deep sympathy of not only the members of the California delegation in the Congress but of the entire membership on this sad occasion to the bereaved husband and other surviving members of a fine American family.

Funeral services will be conducted on tomorrow at the Episcopal Church, 3d and A Streets NE.

### CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 73]

|                 |             |                |
|-----------------|-------------|----------------|
| Adair           | Eberhart    | Miller, N. Y.  |
| Allen, Calif.   | Evins       | Morrison       |
| Anderson, Mont. | Fallon      | Moulder        |
| Ashley          | Fogarty     | Murray         |
| Ayres           | Gray        | Powell         |
| Barden          | Griffin     | Rodino         |
| Baring          | Gross       | Sadlak         |
| Barrett         | Gubser      | Scherer        |
| Beemer          | Gwinn       | Shelley        |
| Biatnik         | Hays, Ohio  | Sikes          |
| Boggs           | Holt        | Stauffer       |
| Bowler          | Holtzman    | Taylor         |
| Boykin          | James       | Teller         |
| Buckley         | Kearney     | Wilson, Calif. |
| Cole            | Kelley, Pa. | Wolverton      |
| Dawson, Ill.    | Long        |                |
|                 | Magnuson    |                |

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

### CORRECTION OF THE RECORD

Mr. BROOKS of Texas. Mr. Speaker, on rollcall No. 72 I am recorded as absent. I was present and answered to my name. I ask unanimous consent that the Record and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

### DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further



consideration of the bill H. R. 7441, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read down to and including line 6, page 1, of the bill. If there are no amendments at this point, the Clerk will read.

The Clerk read as follows:

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products and the applicable provisions of the laws relating to process or renovated butter; \$16,586,000.

Mr. WIER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIER: On page 4, line 16, that the figure "\$16,586,000" be stricken and the figure "\$18,718,000" be substituted.

Mr. WIER. Mr. Chairman, this is one item in this agricultural appropriation bill that I am somewhat concerned about. I am concerned about the meat inspection department of the Department of Agriculture. I want at all times to be sure that the meats that the American people eat are properly inspected, and any cut in this department, I feel rather disturbed about.

Mr. Chairman, I am not going to make any elaborate statement of it, but I want to express my interest in it, and I would like to ask the chairman of the subcommittee to just give the reasons of why a cut of \$2 million was made under what the Department of the Budget approved. I see there is about a \$2 million difference between the figure presented by the Committee on Appropriations and that of the Bureau of the Budget. If I am assured that the American people are going to have equally as good meat inspection under your \$16 million as they would under the \$18 million, I will be satisfied.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield to me, I feel certain I can give the gentleman that assurance and I should like to explain why I can. Meat inspection is required by law. The meat has to be inspected.

This item was cut in line with the general policy of the committee to hold the Department down to this year's level, which we have done through the bill except as to conservation of resources. Where meat inspection is concerned there is a provision whereby if the inspectors we do have must work overtime, that overtime is paid by the packers. The packers can have as much time of the inspection staff as they wish, except that beyond the amount provided in the bill, the packers pay for that time. But the law requires that the inspection be the same one way or the other. So whichever way it is done, if an additional amount were included, it would mean that much less the packers would pay and that much more the Government would pay. Under either figure the inspection is required and the public health is protected. It is just a question, in view of our efforts to hold down the total number of Federal employees and to hold the Department down to this year's level, whether any increased time and

the cost thereof would be passed on to the packers.

Mr. WIER. All I want from my good friend from Mississippi is the assurance that there will be no cutback in the number of inspections required to carry out the law, nor any reduction in the quality of the inspection that may result because of the cutback.

Mr. WHITTEN. The gentleman is carrying me a little further than I can go in that I cannot say that they would not cut back on the number of inspectors in order to be able to buy some uniforms; and I cannot say that they would not cut the number back for some other purpose. But I would say that in my judgment there will be the same kind and type of inspection that is required under the amount that is in the bill as there would be under the amount in the amendment. The difference would be in who paid the increase in cost.

Mr. WIER. Mr. Chairman, I yield back the balance of my time.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. I merely repeat that the committee felt that this item, along with other items in the bill, should be held to this year's level. We are convinced that under the policy followed and under the law, the public health would be protected to the same degree on the basis of the amount in the bill as it would if the pending amendment were adopted. Therefore I hope the committee will turn down the amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, would the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, I wish to inform the committee that on this side we are in full agreement with the statement of the gentleman from Mississippi. I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. WIER].

The amendment was rejected.

The Clerk read as follows:

#### AGRICULTURAL MARKETING SERVICE

##### *Marketing research and service*

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627) and other laws, including the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 United States Code 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$10,000, except for two buildings to be constructed or improved at a cost not to exceed \$20,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or 3 percent of the cost of the building, whichever is greater.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

(Mr. HARVEY asked and was given permission to revise and extend his remarks.)

Mr. HARVEY. Mr. Chairman, the events of the past few months, with re-

spect to agriculture, have been discouraging, to say the least. There has developed not only dissention and antagonism within the ranks of those who are the friends of agriculture, but there appears now to be a general attitude of despair and despondency as to the future. Possibly the latter reaction naturally follows the former condition.

Having been through some rugged times as a farmer myself, I know that as a historical truth the trends in agriculture never run smoothly. Yet, in my family, we have never wavered in our faith in the importance and ultimate success of this vital segment of our economy. During the 137 years the Harvey family has lived on the farm where I now live, we have survived at least four major postwar depressions. On two occasions, the farm was in hock and serious jeopardy, but eventually we recovered and bailed it out. I cite our experience not because it is so unusual; on the contrary, it is typical of much family farm history.

The farmer is in a tight financial squeeze right now, and no one knows that better than the farmer himself. In 1940, farmers spent almost \$7 billion in cash in the operation of their farms, and last year they spent nearly \$22 billion. Yet the average farmer in my area—incidentally one of the best—makes less than a man who works in a factory and has neither investment nor managerial responsibilities.

Now these are facts, but even so, I am not especially discouraged, nor would I conclude that the situation is hopeless. We ought to have faith in our judgment here in Congress. We enacted a soil-bank program to supplement our price-support laws, which had proved inadequate to meet the postwar impact of increased production and decreasing markets. We also enacted Public Law 480, to assist in the disposal of surplus commodities in an efficient manner, both at home and abroad. Both these programs are just getting underway and I for one am unwilling to throw up my hands and declare them a failure before they have had time to prove their worth—time they have not yet had.

It would not be my belief that there is no other solution or that present programs should continue indefinitely. If we are to emerge from this postwar adjustment period without a major depression, we must use them and recognize them for what they are—temporary expedients to bridge a difficult period. In my judgment, we ought to be putting much more emphasis on the potentials of greater use for our farm production. We ought to be employing our best research talent to find new uses for what we can produce or new products to grow for new uses.

It will be said that we have been this, and in a way we have. But the emphasis in agricultural research has been on production and not on utilization. The Research and Extension Subcommittee of the House Committee on Agriculture held hearings on this subject and recently heard a progress report from the Commission established last year to investigate the potential in this



field and to determine the progress being made by both public and private research agencies. Several members of Congress have introduced bills on this subject, and my own, H. R. 6985, is among those pending.

There is no feature of our efforts to stabilize the income of farmers and promote general prosperity that holds greater promise to the rank and file of farmers than the research-for-use endeavor. Farmers inherently like to produce to the limit of their capacity rather than to abide by a system of artificial restraints. But they will abide by such restraints if necessary to survive.

The whole history of our country has been one of progress and development; and certainly agriculture today is a most challenging problem. In my humble opinion we should attach more importance to farm research for commercial utilization, for in this direction we can lead American agriculture to a hitherto unimagined prosperity that will invigorate our whole economy.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent (at the request of Mr. H. CARL ANDERSEN), Mr. HARVEY was granted permission to proceed for an additional 2 minutes.)

Mr. HARVEY. Mr. Chairman, I want to compliment this subcommittee, headed by the gentleman from Mississippi [Mr. ABERNETHY] for the fine work they are doing. I think we must expand this effort and we must put a great deal more emphasis behind it. It is not a quickie answer, but I am thinking it is the best and the only long-range solution for this most difficult problem.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Utah.

Mr. DIXON. I wish to join in complimenting the gentleman from Mississippi [Mr. ABERNETHY] and his committee on their work on utilization research, and also wish to join with my colleague, Representative HARVEY, in his statement. My position is that production research has worked miracles and that that is one of the causes for our great surpluses which have depressed prices. If production research can work miracles, certainly consumption research can also work miracles. Is that not the gentleman's position?

Mr. HARVEY. I think so beyond the question of a doubt. I am just saying in essence here to you, my good friends, that in the past we have been a country whose whole history has been one of imagination and progress. Let us just put our imagination and our efforts to work in this field, and eventually we will come up with a solution that will not only mean prosperity to our agriculture, but which will also mean almost undreamed-of prosperity for our country as a whole.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

#### FOREIGN AGRICULTURAL SERVICE

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (68 Stat. 908), and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$25,000 for representation allowances, and for expenses pursuant to section 8 of the act approved August 3, 1956 (70 Stat. 1034), \$3,902,300: *Provided*, That not less than \$400,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That provisions of the act of August 1, 1956 (70 Stat. 890-892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

Mr. ROONEY. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. ROONEY. Mr. Chairman, I make a point of order with regard to the language beginning with the words "*Provided further*," on line 8, at page 10, down to and including the word "*Service*" on line 14, the language being as follows:

*Provided further*, That provisions of the act of August 1, 1956 (70 Stat. 890-892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

I make the point of order, Mr. Chairman, on the ground that this language is legislation on an appropriation bill.

Mr. WHITTEN. Mr. Chairman, may I be heard?

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The gentleman from Mississippi concedes the point of order. The point of order is sustained.

The Clerk will read.

The Clerk read as follows:

#### LOAN AUTHORIZATIONS

For loans in accordance with said act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said act as follows: Rural electrification program, \$179,000,000, of which not to exceed \$20,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural electrification program; and rural telephone program, \$60,000,000, of which not to exceed \$10,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural telephone program.

Mr. BECKER. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BECKER: On page 11, line 16, strike out the paragraph entitled "Loan Authorization" through line 7 on page 12.

Mr. BECKER. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. H. CARL ANDERSEN. Mr. Chairman, I object in connection with such an amendment as this.

The CHAIRMAN. The gentleman from New York is recognized in support of his amendment.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. MASON. I want to say that I shall object to all requests for extension of time from now on.

Mr. BECKER. Mr. Chairman, the reason for this amendment is a very simple one: Under the Rural Electrification Act of 1936, and amendments of 1939 and 1949, the United States Treasury is bound to loan money to the REA at 2 percent. We know that through the years the Treasury is paying 2½, 3, and today 3¼ percent. The REA owes the Treasury today approximately \$2,500,000,000. Factual information which I will read here—that is why I wanted the extra time—proves that the REA has untold surpluses that they are loaning, and buying United States Treasury bonds today and loaning out at higher interest rates and making a profit on the 2-percent money of the taxpayers of this country. This interest rate is costing the taxpayers some \$25 to \$35 million a year on something that I believe is absolutely unwarranted during this era of prosperity, and in view of the fact that the areas that are being served by the REA are increasing their incomes day after day. I have in mind that the Tennessee Valley Authority is asking permission to sell revenue bonds, on top of the \$1,200,000,000 that they owe the United States Treasury Department at no interest, and that the interest is being paid by the taxpayers. I do not want to stultify areas of this country that need electricity. I want to read a statement of the Public Service Commission of Indiana:

EXTRACT FROM AN OPINION OF THE PUBLIC SERVICE COMMISSION OF INDIANA IN CASE No. 26077 DATED DECEMBER 14, 1956

The annual reports of the REMC's on file with this commission show that all the REMC's are now operating on a remarkably profitable basis and have generally greatly reduced, and in some cases already fully paid off, their debts to the Rural Electrification Administration. Further, these membership corporations now have accumulated large surpluses which are in some instances invested in Government bonds. From these investments net operating incomes are annually augmented by interest earnings at rates in excess of the amount that these same membership corporations pay to the Federal Government as borrowers. Some, if not all, of the net operating and investment profits



of the membership corporations are occasioned by the fact that unlike other utilities these cooperatives do not pay any Federal income taxes upon such profits.

If this comes from the State Public Service Commission of the State of Indiana, then I say it is about time we stopped and hesitated before the advancement of further loans without investigating how much surplus the REA has and why they cannot repay their loans to the United States Government so that our Treasury can reduce its bonded indebtedness.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. HARVEY. I would be happy to explain to the gentleman, because I know of the situation concerning which he speaks, and that the funds in question are those that are required to be set aside by various cooperatives to meet emergencies in the case of terrific ice storms, such as we had recently. Those funds are invested for that purpose.

Mr. BECKER. We have investigated that, but we find they are far beyond the amount they are allowed to retain as reserves. All these REA's are tax free.

They are tax-free; and they are in direct competition with private utility companies that are paying billions of dollars of taxes into the Treasury.

I feel that there should be an equalization somewhere. I do not want to cut this off, I may say to my good friend from Indiana, but I do think the time has come when we should halt this expenditure at this time. I feel that ultimately legislation should be enacted so these loans will pay the going interest rate that it is necessary for the Treasury to pay to get the money to lend to them.

I believe there are many expenditures of the Government necessary for the development of our country, and I think we should do everything we can to develop our own country. REA received appropriations of \$577 million last year. I think it is time that we revised our position, and had an investigation of the surpluses they have.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BECKER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BECKER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes on his preferential motion.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from California.

Mr. HIESTAND. Is it not a fact that about a week ago we voted additional lending authority for REA of \$200 million, and they requested an increase of \$179 million on top of that? Has the gentleman evidence of how that is going to be used?

Mr. BECKER. No; I have no evidence of how that is going to be used. I presume that was presented before the Committee on Appropriations at the time. I

mentioned a few minutes ago that the total appropriation last year was \$577 million, and they want this \$239 million in addition.

I do not accuse any Member or group of Members in this House of advocating socialism or socialistic practices, but if there is such a thing as socialism this certainly is it. I oppose socialism wherever it shows its head in my country in opposition to the free-enterprise system and the citizens who have to furnish the taxes. Legislation has been introduced in this House by Members who want to reduce the income tax. I know of two bills that would increase allowances by \$100 and \$200. How can we possibly reduce income taxes if you vote for such programs as this that compete with businesses operated by the very people who are paying the taxes?

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. In just a moment.

As I said before, it is not my desire to stultify the growing areas of this country; I want to see them grow and I want to see them prosper, but I think the very recipients of these rural electrification programs want to pay their own way, or at least a part of their own way.

All I am asking is that on these loans they pay the going interest rate that must be paid by the Treasury for borrowing the money that is necessary to give to the REA. Likewise in the case of other services.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from West Virginia.

Mr. BAILEY. The type of socialism the gentleman is talking about appears to be a type of socialism that the average American likes pretty well.

Mr. BECKER. I feel they do not like it. They do not like it in my district, I know.

Mr. BAILEY. That may be true in the gentleman's district, but it is not true for all America.

Mr. BECKER. That may be true, too, but it is also true that Americans like to pay for what they have. I know Americans and I know they like to pay their own way. Every American I have talked to about any of these programs wants to pay at least a part of the share of what he is getting from this great country of ours. I know that many things are done for political expediency, and this is one. This type of legislation, I do not think, is proposed just because they say the people cannot afford it.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from Illinois.

Mr. MASON. Does the gentleman mean to say this Government is lending money at 2 percent and then these REA's which have a surplus are lending it back to the Government by buying bonds and getting 2¾ percent or more on their loans?

Mr. BECKER. That is absolutely correct.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield on that?

Mr. BECKER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would just like to point out that we are referring to the REA in a rather confused way. The headquarters organization of the REA is down at the Department and is headed by the Director.

The REA back in the rural area is an individual, locally operated and owned cooperative; and may I say that the Director in Washington, so far as I know, and we asked him about it, has not approved a single loan to a single cooperative that is in this situation. If I may be permitted to complete my statement, some cooperatives have gotten into the position where they have their own reserves and, therefore, do not have to come to the Government, but others are not in that fortunate position. No REA can get a loan unless the administration approves the loan.

Mr. BECKER. Then may I ask this question: If they are all in the same boat, why should they not lend the money at 2 percent to the other REA's that need help and not come to the Federal Treasury at a lower percentage while they are lending their own surpluses out at 2½, 3, or 4 percent?

Mr. WHITTEN. If the gentleman could get such legislation as that on the floor for consideration, I would give it much thought. For the present we have to meet it under existing law until that is changed.

Mr. BECKER. Then let us have an investigation before we advance this money and find out what the surpluses are in these REA cooperatives. We can then come back here with legislation when we have the information that no one can get from the REA. I have tried and others have tried to get this information for me. I think we should have the information before us as to what the surplus really is.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from New York [Mr. BECKER].

Mr. Chairman, I am certain that the committee will not agree to kill REA just simply to cut out a comparatively small amount having to do with the size of the interest rates. I hope, Mr. Chairman, that we can defeat this amendment immediately and get along with consideration of the bill.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. May I say in regard to REA not paying taxes that the REA's in the United States have paid over \$10 million in taxes in 1956. I have those figures already in the CONGRESSIONAL RECORD and I will be glad to put them in again. That is exclusive of any taxes paid by generating systems, such as the TVA or Bonneville. That is just the REA cooperatives alone. The assertion that they do not pay taxes is a fabrication instituted by the power trust of the United States and advertised all over the country.

Mr. H. CARL ANDERSEN. May I quote from page 1417 of the hearings this



paragraph about what the REA's have done for others than agriculture:

We must keep in mind that were it not for the development of REA, that business totaling hundreds of millions of dollars, involving electric supplies, television, radios, and so forth, that are now being sold out in the rural areas, would never have developed to the value of what we might term "private enterprise."

Let us keep in mind, Mr. Chairman, that whatever we do to help the REA's, we are also pumping out of the \$2,800,000,000 possibly a half billion dollars in direct purchases from television, electrical supply companies and what have you. I am sure that the Committee will not be foolish enough to even grant much consideration to the suggestion of the gentleman from New York that the REA program be killed.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I would like to ask the gentleman from New York, author of the amendment, as to how much the total amount of loans are that have been available from the REA's that the REA's have invested in interest gathering schemes? I do not know whether the gentleman from New York can supply us that information or not.

Mr. H. CARL ANDERSEN. The gentleman may do so in his own time. I want to add that the gentleman from New York does not bring out the fact that when money was cheaper, when the REA was drawing out of the Treasury at 2 percent, they were rolling up to the credit of these REA's an amount of nearly \$40 million, if the figures are correct. We want that as a cushion toward offsetting this as a possible additional cost now to the Treasury of the United States.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I wonder if the gentleman would not look with suspect at the gentleman from New York's philosophy of socialism, because he is not critical of private utilities having obtained tax amortization in amounts in excess of \$2.3 million. I just wonder what form of socialism he might brand that type of program.

Mr. H. CARL ANDERSEN. Might I suggest to my friend that if the definition of "socialist" or "socialism" prevails as explained by the gentleman from New York relative to REA, there are a lot of socialists today in this Congress of the United States.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from New York [Mr. BECKER].

The motion was rejected.

Mr. HIESTAND. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think we should make clear just what the issue is here by the amendment offered by the gentleman from New York [Mr. BECKER]. The previous speaker, my very good friend from Minnesota, for whom I have a very high regard, claimed that this was

an attempt to kill REA. Mr. Chairman, that is not the issue at all.

Mr. H. CARL ANDERSEN. Mr. Chairman, if the gentleman will yield, the amendment was offered to knock this paragraph out. What other issue is there before us?

Mr. HIESTAND. The paragraph was only an added grant of loans to what they already have.

Mr. Chairman, this program was a fine program. It was a fine program when developed in 1936 to electrify farms, farms situated so far apart, with so few customers to the mile, that private funds, immensely short in the depression, simply were not available. This fine program is, of course, known to you all as the Rural Electrification Act.

The Department of Agriculture has accomplished its purpose so completely that today the Administrator of REA reports 96 percent of all farms have been electrified, a monument to the dedication and spirit of all those who took part. Let us not condemn REA as such.

Let us consider this amendment. The amendment would add \$179 million added loan authority to the \$200 million we voted a week or 10 days ago. It is in the nature of a further subsidy, because it loans at a cost below that which the Treasury has to pay. That makes a total of \$379 million. When the measure last week was up, we had somebody telephone down to find out if the Administration really wanted that money and, if so, why, and we got the information that the association of cooperatives was active in the field. Ninety-six percent of the farms having been already electrified, the association was active in the field, and very active, in order frantically to scrape the bottom of the barrel to dig up more projects so that they could get some more money and spend some more money in that way. They had a hard time finding new projects. Then they had the Congressmen, it is said, from those districts where those projects were to be located importuned to back REA to support that request.

Mr. Chairman, if the job is 96 percent done and we have this big balance available, why do we need that \$200 million voted last week plus another \$179 million presently asked for? Well, it is said that some of it is to be used for telephones. Now, that is an interesting thing, too. I had a letter from a constituent who had come back from Alaska where a far-flung REA telephone line was being put in, 150 miles from nowhere, 5 customers; the installation was being badly managed. This man was one of those who had tried to install it and finally quit in disgust because it was being so badly installed. Finally it was abandoned. Cost, thousands of taxpayers money. That is a sample of the extension of this operation. The Administrator estimates that if these loan rates were raised to the going rate that the Treasury pays, it would mean to the average customer an addition to his cost of only 1¾ cents per month. Likewise, if we continue to loan at 2 percent and pay at 3¾ percent, it is a direct drain on the Treasury and

there is no chance for any private capital to be used. It all must come out of the Treasury.

The President, in a letter to the Speaker in April, recommended the establishment of interest rates for Government loan programs that would induce private capital to participate in their financing, and to require at least that any such rates cover the cost of borrowing by the Federal Government.

I heartily support the amendment and hope it will carry.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, REA is one of the great achievements of our present day Government. I am sincerely of the opinion that the sure way to destroy REA is to increase interest rates and to make loans more difficult to secure. Since its inception REA has had a net income from lending operations, beginning in 1935 and extending to June 30, 1956, of \$47,504,355. Several weeks ago this matter was brought to the attention of our Subcommittee on Agriculture Appropriations. At that time the Secretary of Agriculture, Mr. Benson, was before the committee. I interrogated the Secretary concerning an increase in REA interest rates. This may be found on page 118 of the hearings.

I quote:

Mr. Secretary, I am definitely of the opinion that the sure way to destroy REA is to increase interest rates and to make loans more difficult to secure. REA serves every county in my district. REA, to me, is one of the great achievements of our present-day Government.

Now, Mr. Secretary, I am just wondering if this administration is planning to recommend an increase in the REA interest rate.

Secretary BENSON. Mr. Natcher, I can only say this, that the Department has no plans for increasing or recommending an increase in the interest rates on REA loans.

Mr. NATCHER. At present?

Secretary BENSON. To my knowledge, we have no studies being conducted by the Department with respect to the interest rate or any interest rate increases.

Mr. NATCHER. There are no studies underway at the present time?

Secretary BENSON. Not to my knowledge.

Mr. NATCHER. Mr. Secretary, do you agree with me that the way to destroy REA is to increase the interest rates and to make loans more difficult to secure?

Secretary BENSON. I don't like to even think about destroying REA. I think it is filling a real need, and it is doing a good job, and I think anything that is done ought to be done in the direction of strengthening it rather than weakening it.

Mr. Chairman, the adoption of the amendment offered by the distinguished gentleman from New York would destroy REA. Again I say to you that REA is one of the great achievements of our Government. REA has meant more to our farmers than anything else during the 20th century.

Mr. Chairman, I urge that the amendment be defeated.

Mr. VURSELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I should like to associate myself with the gentleman from Kentucky [Mr. NATCHER], in his remarks against this amendment. I would like



to point out that in the prior year when this matter was proposed, Mr. Benson came before our committee; and long before he came before our committee they made a Department study of this matter and came out strongly against it.

May I point out also that the Director of REA, at that time, Ancher Nelsen, joined with the Secretary of Agriculture in stating, and he stated then and afterwards before our committee, that they had made the study, that this would wreck and destroy REA throughout this country and its service to the country. He pointed out that some \$2.5 billion had already been loaned under contracts, and the final study of it showed that if they went through with increasing this interest rate that all of the contracts would be in jeopardy and it would practically destroy REA as it has been operated in this country and as it has been known.

Mr. MUMMA. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. That same condition prevailed last week in connection with the college housing. They were borrowing money at 2 $\frac{7}{8}$  percent. The bill we passed last week raises that to 3.5 percent. They have a lot of these contracts being arranged. I think the Government has set a pattern that should be just as well applied to other things. I am not picking on REA.

Mr. VURSELL. The REA is organized by farmers at the grassroots, who put in millions of dollars worth of their time without any cost. They have managed this great organization so well that there are only 3 or 4 of the small cooperatives that are in jeopardy, and they are being taken care of. There are no losses.

In addition, one of the great contributions that has been made is that there are millions of people working in factories today turning out appliances that would not be used and could not be used if it had not been for the ingenuity of the farmers and because most of them gave their own time to establish the REA that has less loss than probably any business in America. There are many millions of dollars in taxes that come into the Treasury each year that never would come into the Treasury were it not for the success of REA. Billions of dollars are spent each year in buying electric appliances that would not be in use if REA had not been organized and established.

May I say further that the Treasury has had a cushion of some \$40 million for the last 2 or 3 years paid ahead by the REA when interest rates were lower than the 2 percent the REA was borrowing at, at that time. It has made a great contribution. There is no question but that the best financial brains in this country say that you cannot increase these rates to 3 or 3.5 percent without practically destroying the financial structure and the financial services of REA in the future.

The question was taken; and on a division (demanded by Mr. BECKER) there were—ayes 26, noes 58.

So the amendment was rejected.

Mr. MARSHALL. Mr. Chairman, I move to strike out the last word, and take this opportunity to note that not one Member on the Democratic side of the aisle stood up in favor of the amendment.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

#### LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that act, as amended): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, \$24 million, of which not to exceed \$2,500,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, \$180 million; the act of August 28, 1937, as amended, \$5,500,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

Mr. McINTIRE. I move to strike out the last word.

Mr. Chairman, I take this time to ask of the chairman of the subcommittee a question relative to the authorizations of this bill which is at the bottom of page 13 relating to Farmers' Home Administration farm ownership and farm housing loans. I share with a great many Members of the House my interest in the Farmers' Home Administration lending activity for the family-sized farm. It is my understanding, Mr. Chairman, that the reference here is particularly to the farm ownership loans, that is, that the farm housing loans are in the larger figure of \$450 million. My question to the gentleman from Mississippi is in relation to the committee bill authorizing \$24 million, in view of the budget request for \$50 million. It is my understanding, and I would appreciate being corrected if I am not accurate on this, that the first deficiency bill has a request for \$26 million. The authorization last year was \$24 million which would bring it up to the total of \$50 million.

At the present time there is approximately \$20 million of loans pending or in process, and if the deficiency item is not granted, then this \$20 million would be applied against the \$24 million authorized in this bill. Am I correct on that point?

Mr. WHITTEN. That is my understanding, may I say to the gentleman. I am hopeful we will get together on the deficiency so far as that goes. But, the reasoning of our committee is frankly this. While we believe in the Farmers' Home Administration, and we have supported the farm purchase program—under present conditions with the present farm prices and farm problems you are not helping a young man by lending him

money to buy a small farm. It is for that reason we felt that it was not a time to increase the amount of money which would enable a young man to go into debt to buy a farm. We felt that when folks with small farms, who are not even in debt for the purchase price of their farms are finding it more and more difficult just to hold on, it was no favor to any veteran or nonveteran to enable him to borrow money and to try to make a living and repay the debt. So, that being the reasoning of the committee, we are glad to leave it up to the House and up to the Congress as to what it wishes to do. But, we felt we were on sound ground in holding this amount down to the present year's level.

Now it was anticipated, and I anticipate now that the deficiency bill will be worked out somewhere along the line. As to that, I cannot guarantee, but we did anticipate it.

Mr. McINTIRE. Am I to interpret from the gentleman's remarks that if the deficiency item is granted and the lending program for fiscal 1957 would be aggregated close to the \$50 million, that it is the position of the committee that there should not be a total of \$50 million available for fiscal 1958?

May I also interpret the committee's position that it is the intent by the limitation of money, to mold the lending program, and relying primarily on that and not on the opinion of the advisory committee and the folks in the field as to the individual case, standing on its own feet, and the merits of that loan on an individual farm?

Mr. WHITTEN. I would not differ with the gentleman's description, but I prefer to put it in my own words. We felt it is no favor to a young man to make money available to him to buy a small farm. In fact, it could be a disservice, and it was our opinion that you could not find \$24 million worth of small farms on which any farmer could make a living and pay the debt. Therefore, we held it to \$24 million because we did not believe they could find that many small farms that would be a sound investment. That is our position.

Mr. McINTIRE. I thank the gentleman.

Mr. Chairman, it has been my privilege to attend many hearings of the full committee of the House Committee of Agriculture and subcommittees of that Committee in many parts of the country, especially in areas producing basic commodities. May I agree with the Chairman of the subcommittee, the gentleman from Mississippi, that farm programs are not working. It is not only more recent programs as the gentleman's reference would imply by use of the term the last 4 years, but programs written into law years before 1952.

It is my understanding the basic premise of a program of high-level supports is that production shall be controlled to make it work. I have listened to farmers under marketing quota pleading for permission to plant more acres because they will not make a living on acreage allowed under the program. The gentleman from Mississippi has stated that farm income is production time price less cost



of operation. He is correct in stating this rule and in accepting this rule I believe it indeed a challenge to the soundness of premise that production can be controlled to make a fixed-price program work whether it be in a flexible approach or at higher fixed levels.

May I believe we need expanded programs on marketing and utilization research and the rural development programs. I am not in accord with the impatience which I believe is implied in the committee report.

In closing, may I express my deepest respect of the gentleman from Mississippi and each member of the subcommittee and find myself, as a member of the House Committee on Agriculture, joining with them in a sincere desire to deal constructively with the problem of the American farmer and his rightful place in the American economy.

Mr. Chairman, I withdraw the amendment.

(The pro forma amendment was withdrawn.)

The Clerk read as follows:

#### SOIL AND WATER CONSERVATION

For necessary expenses to carry out soil and water conservation programs authorized in the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590a-590q), the Watershed Protection and Flood Prevention Act, as amended (16 U. S. C. 1001-1007), the Flood Control Act, as amended and supplemented (33 U. S. C. 701-709), subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-1837 and 1802-1814), the acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033-1039), \$535 million, to remain available until expended: *Provided*, That not to exceed \$40 million shall be available for administrative expenses in carrying out sections 7-17 of the Soil Conservation and Domestic Allotment Act and subtitles B and C of the Soil Bank Act of which not less than \$30 million may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That not to exceed \$7,200,000 shall be transferred to and merged with the appropriation "Salaries and expenses, Agricultural Research Service, Research" for soil and water conservation research, of which \$1,200,000 shall be available for construction of buildings and for the acquisition of necessary land therefor, and not to exceed \$20,000 for alterations of buildings, without regard to limitations prescribed in this act: *Provided further*, That this appropriation shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed \$10,000 and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or 3 percent of the cost of the building, whichever is greater; not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and for the temporary employment of qualified local engineers at per diem rates to perform the technical planning work: *Provided further*, That the unexpended balances of appropriations heretofore made for "Watershed protection", "Flood prevention", and "Water conservation and utilization projects" shall be merged with this appropriation: *Provided further*, That programs included hereunder shall be subject to the following additional provisions.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the committee regarding an item on page 18. For several years we have had some controversy, and I have had a little part in it, regarding the amount any one participant could receive under the agricultural conservation program. It is my understanding that in the past few years we have been gradually bringing down and lowering the amount that one participant could receive. I find on page 18 of the bill, line 17, that—

No participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community.

In reading the report I see no mention, at least I have found no mention made of any change in that amount. My recollection is that for 1957 there is a lower figure than \$2,500, and there is an increase carried in this legislation—my understanding is it is \$1,500 for this year.

Mr. WHITTEN. The gentleman is correct. I would be glad to explain the reasoning of the committee, if the gentleman desires.

Mr. ABBITT. I would be pleased to hear the gentleman.

Mr. WHITTEN. The gentleman's expression that the limitation on what can be paid to individual participants is perhaps his interpretation, but my expression would be the other way; that it limits the amount of contribution that the Federal Government will make to any one particular participant, even if it is thought that the small watershed program and the need to do the things that really help these flood prevention problems, that if you have a larger amount available, realizing that under the program the participant has to put up his share of the cost, you will get more resulting benefit in the nature of soil conservation by having it large enough to have a sound project than to keep it low enough for the relatively minor projects.

The gentleman is right. The increase was from \$1,500 to \$2,500 and that was in recognition of the increased cost of operations—a recognition at least by our committee, the various Members of Congress, and others that many worthwhile projects were not possible because of the limitation in the size of the projects.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. REES of Kansas. At the proper time I expect to offer an amendment striking out \$2,500 and inserting \$1,500, putting it back to where it is in the current law.

In my opinion \$1,500 is sufficiently liberal.

If you want to save a little money without injuring anyone I suggest to the gentleman that here is a chance to do it. A study of the question shows that most of the money goes to those who can well afford to take care of their own conservation program.

Mr. ABBITT. I shall be glad to support the gentleman's amendment.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. SMITH of Virginia. If I understand the situation correctly, the existing law is that each individual shall be limited to \$1,500.

Mr. ABBITT. That is right.

Mr. SMITH of Virginia. This bill changes that law and increases it to \$2,500.

Mr. ABBITT. That is right.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. WHITTEN. As I understand, the basic law provides no limitation; both the \$1,500 and the \$2,500 is a limitation where none exists in the basic law.

Mr. SMITH of Virginia. Let me ask the gentleman this: If you had not changed that what would have been the result? Would it have been \$1,500?

Mr. WHITTEN. Unless we had rewritten it we had to put the limitation either way, either follow last year's bill, which would have been \$1,500, or put in some other figure, because there is no limitation in the basic law.

Mr. SMITH of Virginia. The gentleman's contention is that if there is no limitation in the appropriation bill there would be none at all.

Mr. WHITTEN. That is right.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. TABER. The situation is this: If no limitation is expressed in this bill there will be no limitation. To be effective the limitation has to be written into each annual appropriation.

Mr. ABBITT. As I understand, answering the gentleman from Virginia, that last year the limitation was \$1,500 for those who participate under the bill, but the bill as written now raises the limitation from \$1,500 to \$2,500.

I take this time to call attention to a provision—I have not seen it in written form—but I am sure the gentleman from Kansas [Mr. REES], will offer an amendment setting the limitation this year again at \$1,500. I shall support the gentleman's amendment.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

Agricultural conservation program: This appropriation shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil building and soil and water conservation practices under sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (amounting to \$250,000,000, including administration, and no participant shall receive more than \$2,500, except where the participants from 2 or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community); and for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein. Not to exceed 5 percent of all the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its tech-



nicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 percent may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: Page 18, line 17, strike out "\$2,500" and insert "\$1,500."

Mr. REES of Kansas. Mr. Chairman, there has been considerable discussion on the floor of the House in recent days about saving money, cutting expenditures, but more especially taking care of the little fellow. Here is a place where you can save some expenditures without injury to anyone, but most important is to allocate funds on a more equitable basis.

The question of allocating funds under soil-conservation programs has been with us for a long time. There was a time when there was hardly any limitation at all. It was discovered the thing was so inequitable there was a limitation of \$10,000 established. Then later on it was limited to \$5,000. It went down to \$750. Then it was raised to \$1,500. That is the limitation at the present time. All I am doing is following the present law, limiting payments to \$1,500, to participants under the act.

This money is intended to assist farmers in soil-conservation programs on their own land. A good share of it goes to people who can well take care of their own soil program, but more important of all is that when allocations are made to the States, the big operator is taken care of, but many times there is little left for the small operator. He is the fellow we want to assist. If the Federal Government is going to pay money to a farmer or a farm operator for conserving his own soil, then we ought to see that the smaller operator, the one who lives on his land and operates it, is given a fair share of these funds. I remind you again, this money is intended to help the farmer take care of his own soil. All we are saying in this amendment is that the individual operator is limited to \$1,500 in Government payment.

More of the funds should go to the smaller operator and less to the big plantation owner or the big grain producer.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to point out that there is a formula where these funds are allocated to the States. Whether you take the gentleman's amendment or leave the bill alone, the States would get the same amount of money either way, whether the amount stays as it is here or whether it is as the gentleman would amend it. Now, the people of Kansas can limit it to \$150. The higher limitation would let those

States with a major problem have a higher leeway to meet their problem. There is no money involved. It is a question of whether the latitude shall be high enough to meet the problems of some States, and whether you take the gentleman's amendment or that in the bill, you do not affect the total amount of money spent at all. The people in Kansas can cut it down to \$100 if they wish to.

Mr. REES of Kansas. By the same token you could increase it to \$5,000 and the gentleman's argument would apply in this case. All we are saying is that nobody, whether they be in Kansas, Virginia, or Mississippi, or any State, can receive payment from the Government beyond the limit of \$1,500. Of course, if a man does not want to earn more than \$100, or earn any, that is his privilege. But let us limit it to \$1,500 as the present law provides, and you will save some money and certainly make more equitable distribution if you adopt my amendment. If a State does not want to take the money allocated to it, that is its privilege. That can be done under my amendment. If a man cannot protect his own soil by getting \$1,500 from the Federal Government to assist him something is wrong.

Mr. WHITTEN. I would repeat that you do not save any money either way. You do not require a State to have a lesser amount.

Mr. REES of Kansas. I am not requiring a State to have a lesser limit, no, but you will save a considerable amount if you will limit the overall payment to one person. That is, if the \$250 million is the amount you are allocating on the basis that all farmers will take part in this program.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Wisconsin.

Mr. WITHROW. In connection with the wording of this, it is recognized that in all probability even \$2,500 would not be enough because it reads as follows: "\$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community."

There is the impractical thing about this. These farmers are reluctant to get together and to have a project on one of their pieces of property; so the result of it is that in my area where we have draws, we are not getting the projects we should because the individual cannot afford to put the money into the project he should in order to make it practical. If you are going to have real conservation, if you are going to control floods, you have to control them at the source, not wait until they get down to the river.

Mr. REES of Kansas. That is a different situation. The gentleman showed my amendment does not change or alter the situation on which he calls attention. I do not change the formula. My amendment simply limits the payment to \$1,500 instead of \$2,500. I am trying to assist about 70 percent of the participants who get payments averaging less than \$400. The adoption of my amend-

ment is more equitable and will save some money for the taxpayer. It certainly injures no one.

Mr. Chairman, I think it should be definitely understood my amendment relates only to payments made to individual land owners or tenants, or both, for following practices required by the Department of Agriculture, in improving the soil they own or operate. It does not relate to what has been known as a general soil conservation program, that is carried on entirely by the United States Government.

Even under present law, under this program, about 25 percent of those who participate, get approximately 70 percent of the appropriation in this bill. Think what you are doing when you add a thousand dollars to the payment to each of those who now receive the limit of \$1,500:

Mr. JOHNSON. Mr. Chairman, I move to strike out the last word.

(Mr. JOHNSON asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON. Mr. Chairman, I rise in opposition to the amendment striking out the figure \$2,500, lowering the present limitation in the bill before us.

I am principally interested in seeing the limitation left as it is in the bill so that more work can be done on gully control structures in States with a topography like we have in western Wisconsin. The present limitation was established at a time when construction costs were considerably less than they are today. People active in this work in Wisconsin tell me that the limitation is blocking gully control work because of increased costs. An incomplete survey in Wisconsin shows that 89 projects for gully control were not started last year because, under the present limitation in the law, the Government could not enter into the construction beyond the \$1,500 figure.

Many of the farms and hilly areas of western Wisconsin and other States with similar topography are unable to progress any further with soil conservation work unless the amount allowed for gully-dam construction is increased. The old \$1,500 limitation accounts for the fact that many States are not using the total ACP appropriation. Wisconsin returned \$1,758,000 in 1955, and the preliminary figure for the year 1956 shows that the State returned \$750,000.

In speaking to people engaged in soil conservation work, I was told that for a number of years it has been impossible for the State to proceed with major gully control work because of this provision in the law. They told me that if this exception were not included in the law, they would be able to go into the various watersheds, do part of the gully control work on individual farms and, when the total project came up for planning, the cost-benefit ratio would come out favorably and the project would be eligible for Federal assistance.

I believe every member of this committee is aware that, if this condition is permitted to exist, areas where the gullies have made such headway will be without value for future farming operations and we will have a country similar to China,



where soil erosion was permitted to run rampant for centuries. The gullies I refer to in my district have made such headway that, even if the farmers follow the conservation practices set up for them, they are unable to retard these large gullies from making further advances through the valleys without doing special gully control work.

Let me quote from letters I have received from Wisconsin soil-conservation leaders concerning the price limitation. The first statement is from Mr. Henry E. Graff, chairman of the Eau Claire County Board, and Mr. Arthur Donaldson, chairman of the Eau Claire County Agricultural Committee:

The \$1,500 limitation per farm in the AC program has deferred the installation of large control structures. Construction costs have gone up to a point where the \$1,500 limitation does not provide for equitable cost sharing on large structures. It is our understanding that sizable unexpended balances from the AC program have been returned. We believe it would be far better to encourage the structure program by raising the present limitation and using at least a portion of the unexpended balance for permanent structures.

I should also like to quote from the letter of a man engaged in soil-conservation work in western Wisconsin:

You are familiar with the rugged terrain of this area. Many of our farms have large gullies on them. In order to prevent them from spreading, it is necessary to construct earthen and mechanical structures at their heads. This sometimes runs as high as \$6,000 for a single gully. The average cost is probably close to \$3,000. Most of the farmers in this 6 or 7 county area cannot financially afford to spend this much on these gullies. The agricultural-conservation program of the Agricultural Conservation and Stabilization Service of the Department of Agriculture helps share the cost of these practices. The law states that the Government will pay 75 percent of the cost of these structures. However, another section of the same law states that no farm may earn over \$1,500 in any 1 year. In the case of gully control structures costing \$3,000, the percentage immediately falls from 75 percent to 50 percent because of the \$1,500 limitation. I understand that a change in the law requires an act of Congress. I feel that the \$1,500 limitation should be removed in case of structures and the 75-percent limitation alone apply.

The Dunn County Soil Conservation District annual report for 1956 also recommends a change in the law, and I shall quote in part from it:

We would like to make one recommendation for a change in the above-mentioned ACP program. We have an estimated 150 large gullies in need of gully control structures. Many of these will cost the farmers from \$3,500 to \$5,500 to install. Under the present ACP program the Government will reimburse the farmer 75 percent of the cost of gully control works. This is fine but Congress has imposed a maximum payment per farm of \$1,500. Under this regulation the farmer is not able to recover anywhere near 75 percent of the cost. For the benefit of the gully control program, we would like to see the \$1,500 ceiling raised to \$3,500 per farm for gully-control work only. Most of our farmers find themselves in a financial stress and are unable to spend necessary money to halt large gullies which are eating into valuable cropland and in some cases building sites. In most cases, these gullies

are a threat to neighboring farms as well as public highways.

In reply to an inquiry I made of a county agent in Wisconsin, I received the following statement:

There is one item on which we might get more done, if the ASC aid was a little more realistic. The present incentive payments on erosion control structures put in by a farmer are 75 percent of the cost, with an upper limit of \$1,500. In this area, the average cost of structures has been about \$3,000, and a top of around \$6,000, which means that the average man only gets about 50 percent of the cost back, and in the larger ones, they would get as little as 75 percent.

This situation is not confined exclusively to my district. I am told the same problems exist in Kentucky, eastern Iowa, parts of Missouri and Nebraska, and perhaps in many other States of which I am not aware. I believe the purpose of the restriction is to prevent a few large farms from receiving large grants under the ACP, and I am in favor of this purpose. However, I would like to see the language changed so that the limitation of \$1,500 for individual farmers for doing gully-control work is raised to a figure compatible with current construction costs, or excepted entirely.

Mr. WITHROW. Mr. Chairman, I rise in opposition to the amendment. First of all, I believe that we all recognize the fact that flood control and soil conservation are essential and we want to find practical means to bring about a condition that will permit us to have soil conservation in a practical sort of way. All this provision does is to raise the amount that may be paid to an individual to \$2,500. In other words, it fixes a ceiling. The money will then go to the State, in the gentleman's case, the State of Kansas and in my case the State of Wisconsin. They will make the determination as to what the ceiling shall be in the particular State.

The only difference between the law as it is and that proposed by the committee after careful study is that the amount has been raised from \$1,500 to \$2,500. That is the only difference. There is a proviso whereby two or more farmers may get together and then they may be allotted more money.

Mr. REES of Kansas. That is in the present law.

Mr. WITHROW. That is in the present law. But that has not been workable, particularly in my locality because, as you know, the farmers and the ranchers are reluctant to get together on an agreement. So \$1,500 was recognized as being impractical and therefore it was raised to \$2,500.

If my recollection serves me correctly, the gentleman from Kansas [Mr. REES] was opposed to \$1,500 the last time this matter was before us. We had the same argument at that time in regard to it. Now, if you really want soil conservation, if you really want flood control, you had better approach this at the grassroots. This is the only way you can do it in a practical sort of way. That is all there is to it.

Mr. REES of Kansas. Mr. Chairman, would the gentleman yield?

Mr. WITHROW. I yield to the gentleman.

Mr. REES of Kansas. The gentleman understands that all in the world I am doing in my amendment is leaving the present law as it is.

Mr. WITHROW. The bill raises it \$1,000.

Mr. REES of Kansas. My amendment would leave the present law just as it is. The gentleman understands that.

Mr. WITHROW. Yes, \$1,500; and we want \$2,500 because it has been recognized by the committee that \$1,500 is not a practical approach.

Mr. REES of Kansas. I am saying that \$1,500 is what the law is now; just leave it alone instead of spending this additional fund the gentleman is talking about. That is about all there is to it. Following the gentleman's argument, we should make it more than \$2,500.

Mr. WITHROW. I think it should be \$3,500 but I am perfectly willing to settle for \$2,500, try that out and see if it is practical. The gentleman does not want to have anything in that provision.

Mr. REES of Kansas. Oh, yes.

Mr. WITHROW. The gentleman was against \$1,500 a year ago.

Mr. REES of Kansas. I tried to put it at \$1,000.

Mr. WITHROW. You bet you did, and the gentleman would like to have it there now.

Mr. REES of Kansas. Yes, sir.

Mr. WITHROW. The gentleman is like the boy in the Army, they are all out of step but him.

Mr. REES of Kansas. Oh, no; I am for the small-farm operator in submitting this amendment.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I oppose the amendment offered by the gentleman from Kansas. I take the floor more specifically to point out the fact that there is no way in the world that a farmer can get a dollar of the agricultural conservation program money as money. I know. I have been in full compliance with every agricultural program since the first corn and hog program, and I have participated in the agricultural conservation program since its very beginning.

If a farmer gets \$2,500 of assistance, he is going to have to put up \$2,500 of his own money in order to get it and, in addition, he will have to do all the labor that is required. At the present time you cannot get agricultural lime or rock phosphate or mixed commercial fertilizer to go on your soil unless you first have a soil test, and that is usually made by the county agent. You have to meet the requirements. If your limitation is \$1,500 you can get \$1,500 of aid by putting up \$1,500 of your own money in most cases. In some cases you have to put up more than 50-50.

In Missouri on rock phosphate the Government will pay \$9.30 and you will pay \$11.60 in order to get your rock phosphate. It was \$13.60. So I resent the implication laid before this House, if such implication was made, that the ACP hands money to the farmer. It does not.



It assists him at 50 cents on the dollar down to about 39 cents on the dollar in buying the material to help conserve the soil. It is a good thing. It is nice that the Government does it. But do not forget that when the Government puts up a dollar the farmer must put up a dollar or more of his own money and do all the work himself. I wanted to correct that impression. That is why I took the floor. If I have any time left I yield it back, and close by saying that I hope the amendment offered by the gentleman from Kansas is defeated.

Mr. MASON. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I do this to use this illustration: I have some property. It is a factory, or any other kind of property that is bringing in an income for me. If I spend \$2,500 on that factory building to improve it, then under this philosophy I should get \$2,500 from the Federal Government for improving my own factory.

This soil conservation program was put across when the farmers of this Nation were down at the bottom. It was done to help them improve their own property. Today it seems to me it has long passed its need. We should not aid the farmer to improve his own property any more than we aid the city man to improve his own property.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Chairman, I have the highest regard for my friend from Illinois [Mr. MASON], and I mean that from the bottom of my heart. But I do think I should point out the basis on which the agricultural conservation program was passed and has continued.

Before we had this program the record shows the American farmers wore out 40 percent of our land. They wore out 80 percent of our timber. In recent years it has been my privilege to visit China and other old countries of the world where the people did not see to it that a sufficient share of what was taken from the land was put back into it.

The gentleman is right. This program is a Federal contribution toward getting soil conservation work on land. The Federal Government puts up about half of the money and the farmer puts up half of the money plus his labor. It is predicated on the belief, and I subscribe to that belief, that all of us have an interest in maintaining for ourselves and the future generations the wealth of natural resources that we have inherited. There are many places in this country where the land is washing away. At Memphis, Tenn., on the Mississippi, for instance, there is a layer of topsoil that rolls down that river and on out to sea, each day, some 10 feet wide and some 20 feet deep. That topsoil is washing away from farms where it is not financially feasible for that farmer to do the things to keep that soil there.

If you would sit, as I sit, on this committee and listen to the testimony about the thousands of acres of land in our country that have eroded and gone, and the thousands of acres where we do not have any timber, where we have black rot in tobacco, and the thousands of acres that are no longer fit for the production of food and fiber for our people in this country, it makes you realize that in 270 short years we have wasted more fertile soil than any nation in history. Luckily, we have had more to waste. I say to you this is one of the soundest investments in the future. I believe in a balanced budget. I believe we ought to keep the financial structure sound, but I do know that you could burn up every dollar and every bond and your children could come back as long as they have fertile acres, highways, electricity, and the know-how in the factories, and all of the material things.

Now, Mr. Chairman, I would like to address myself to the gentleman's amendment. You know these projects should be big enough to do some good. They should be large enough to stop erosion before the flow starts. This limitation is a limitation on what any one State can do. But any State can put its own limitations far below this ceiling. We have in this bill a certain amount of money and it is divided to the States under a formula. The State will get its money. I say you should permit a State with a particular type of problem to have enough of a ceiling to spend this money wisely. In the final analysis, it is a contribution only to the cost of work to preserve our land.

I live in a county-seat town—not a big one, mind you—and I am not a farmer either. But, I say that the greatest heritage for the future that I can leave to my children will be to leave them rich land. It would be most foolish under present conditions and declining farm prices to hope that the farmer out of his limited income will stop this erosion and protect that land. I say to my good friend, this is different from what happens to a man's factory. Sure, the farmer should take what he does make and look after the land for himself and for us, too, but history teaches us that that is not done. We passed a bill trying to get him to do it. Believe you me, he has to spend this money that he gets from the Government and he has to spend an equal amount of his own money, and he has to do the work. Do not put a ceiling on those who do not need a ceiling. Put it on yourself in the State of Kansas, Mr. REES, and I will put it on in my district, because we do not need this much. But, there are areas in this country where we ought to raise the ceiling so they can meet their problems where it will really be of some benefit.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word.

(Mr. MORRIS asked and was given permission to revise and extend his remarks.)

Mr. MORRIS. Mr. Chairman, there are two counties in Oklahoma that I just happened to think of, the name of one of them is Caddo County, and I remember that because it is in my con-

gressional district. Then, there is one other county. These two counties in the last fifty years have lost more soil by erosion according to the information that has come to me, than all of Ireland has lost during that time. I cannot say for certain that those figures are true, but I believe they are true. I have the greatest respect for the gentleman from Illinois [Mr. MASON] and I have the greatest respect for the gentleman from Kansas [Mr. REES] who offered this amendment. They are both splendid gentlemen and they are both very efficient Members of the House of Representatives. They are men of great sincerity and nobility of purpose. But, I just cannot agree with them on this matter. Let me give you some figures here which I think are rather startling. The gentleman from Illinois used the illustration that it was not right for a farmer to receive \$2,500 from the Government to help to protect his soil. I want to say to the gentleman from Illinois that your manufacturer you mention has received far more than \$2,500 from this Government and from the taxpaying people of this country. Here are some figures. I am going to try to verify these figures. I think these figures are true. They come from a very reliable source. During the period extending from 1933 to 1955, we, the taxpayers of the United States, have subsidized the manufacturers in this country to the extent of \$40.8 billion. We have subsidized shipping and airline interests to the extent of \$5 billion. We have subsidized in support prices for farm products, to the extent of \$1.2 billion. So actually the farmers have received a subsidy of \$1.2 billion; the manufacturers have received a subsidy of \$40.8 billion during that same period of time—that is from 1933 to 1955.

I do not complain of that subsidy to the manufacturers, but when you and I buy a suit of clothes we pay approximately twice as much for that suit as we would pay if we did not have the tariff. So the American public has paid billions upon billions of dollars in subsidies to the manufacturing interests of this country. When we ask you to give us a pittance for the protection of the farmers of this country, the newspapers, the radio, and the TV dramatize the little dribble that the farmers get, but say little or nothing about the billions and billions of dollars that the shippers, the airlines, and the manufacturers get. So let us be fair with each other, and help us to carry on this fine soil conservation program.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is never pleasant to find myself at differences with some of my colleagues from the agricultural areas, particularly from my own State. But as one who comes from a farming district, the income of which is largely from small farms, I say to you this amendment ought to be adopted and it ought to be adopted in the interest of small farmers.

Before a ceiling was placed on this particular program, payments to some of the farmers had gotten so high that



it created a terrible scandal in this country and under this dome. So, to eliminate that scandal and in order to spread the funds among more farmers, a ceiling was placed on the amount any one farmer could receive. I do not remember what the earlier ceilings were, but I know that for the last year or two we have operated at a ceiling of \$1,500.

The money is divided and distributed among the States and from the States to the counties. In the counties the money is distributed by a county committee. I know of counties where the money petered out before it reached many of the small farmers. Some bitter feeling was created because of the method of distribution.

I am not going to say that any of the county committees especially favor some farmers against others. That would not be unpolitic. But I will say that the lower the ceiling the wider the spread and a greater number of people will benefit from the program; and there will be less opportunity for county committees to favor certain farmers should there be an indication to favor such.

Let us say that the amount of this appropriation was only \$15,000 and that you had a ceiling of \$2,500. That would permit the distribution of the entire \$15,000 among six farmers; they would gobble it all up, and if there were ten farmers in the county there would be four who would not get anything. But if you apply a ceiling of \$1,500, each of the farmers will come in for a part of the benefits.

This amendment does not cut down the amount of money that is to be authorized; it does not add to the amount; it does not take away from this program a thing in the world. I am just as strong for the program as any member of the House. In fact, it was my bill that this House passed just a few days ago which gave permanent status to the program. It was so given because it has been accepted as one of the finest programs ever designed for American farm and farmers.

I would like to see this amendment adopted because with the lower ceiling we will benefit more people. Remember the total amount of money will remain the same, but with the higher ceiling you will reach fewer people and fewer farmers.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I am happy to yield to my colleague from Texas.

Mr. MAHON. As I understand it from Chairman WHITTEN the States can fix any ceiling the State desires to fix.

Mr. ABERNETHY. Yes, they can.

Mr. MAHON. And while the gentleman's State may desire to fix one ceiling, another State with different problems may desire to fix a different ceiling. So it seems to me the amendment is bad and should not be adopted.

Mr. ABERNETHY. I agree with the gentleman that that is possible, but unless we write a ceiling here, there will be a fight in every State capital as to what the ceiling would be, and the big farmers will get the money.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. MASON. And all the States will be levied upon for this fund in taxes, and then one State will limit it at \$100 and another State at \$2,500. It is ridiculous.

Mr. ABERNETHY. I would like to say to the gentleman from Illinois that this money will come out of every taxpayer's pocket.

Mr. MASON. But it will not pay back into each farmer's pocket.

Mr. ABERNETHY. That is right, especially under the proposed higher ceiling.

(Mr. ABERNETHY asked and was given permission to revise and extend his remarks.)

Mr. PILCHER. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield for a consent request?

Mr. PILCHER. I yield.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. GATHINGS. Mr. Chairman, reserving the right to object, does that include the 5 minutes to which the gentleman from Georgia, already recognized, is entitled?

Mr. WHITTEN. It would. I am not trying to foreclose anyone else.

Mr. Chairman, I modify my request and now ask that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. PILCHER. Mr. Chairman, if I did not think this amendment was beneficial to the farmers I certainly would not be in favor of it.

I have farmed all my life, and for several years I was chairman of the ASC committee of my county.

My colleague, the gentleman from Mississippi [Mr. ABERNETHY] has explained the operation of this payment program so clearly I cannot see how anyone could fail to understand it. This money comes from Washington to the States. Each State allots it to the counties.

In my county we have a good many city farmers—and they are my friends. These so-called city farmers who do not make their living on the farm, go in and gobble this money up within 10 or 15 days after the program is out, and two-thirds of the small farmers do not get a dime of it. In all fairness to the little farmers, the amendment should be agreed to. This does not hurt anybody. It does not cut down the money. It will go farther, it will help more little farmers than if the amount were left at \$2,500. Personally I would vote to reduce it to \$1,000 because it would help more little farmers.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to say that the gentleman makes a very plausible argument in support of his position. The gentleman would agree that the State of Georgia can pass whatever limitation it might wish. I do not believe the gentleman would want to put the same limitation on to Western States where the problems are different, such as flash floods like what happened in Texas. I do believe that the gentleman's argument in favor of a limitation in Georgia is good, and Georgia under either amendment could place such a limitation; but I do question whether the gentleman would want to impose a Georgia rule on another State. Our committee had much testimony to indicate that the problems in many areas are much different than they are in Mississippi and Georgia. I ask that in all sincerity because I can appreciate the gentleman's feeling insofar as Georgia and the southeastern region is concerned. But the whole of the country is different.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Wisconsin.

Mr. JOHNSON. I would like to explain to the gentleman from Georgia how the program is working on a small farm in Wisconsin. Take a farm that is only worth \$6,000. Maybe it has a big gully in it and it would cost \$3,000 to fix it. Under the law the Government is supposed to pay 75 percent, which would be about \$2,300 and the farmer would have to pay \$700. The way it is working out with a limitation of \$1,500, the Government could only pay \$1,500. What happens? The farmer does not fix the gully, it gets worse every year. He can perform all the soil conservation practice he wants to but that does not stop the gully from getting worse. If you keep the limitation in the law, you will stop a big part of the soil conservation work as it applies to gullies.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman knows from his own experience, having personally dealt with this problem, and having been a member of a county committee and knows what he is talking about. He will agree with me, that the way this thing is managed, the man who owns the larger tract of land is the one who gets most of the money. Only a small share of it goes to the little fellow who needs the money. Is that not about the way it goes?

Mr. PILCHER. Yes, and the little fellow is not altogether blameless, either. This is not an answer to the farm problem.

Mr. REES of Kansas. I agree with that statement.

Mr. PILCHER. There are a lot of little farmers and businessmen who are not too helpful, either. They will get these little fertilizer payments and some



goes to raise a little more cotton or a little more peanuts with the fertilizer money.

Mr. Chairman, I would not do anything which would hurt any farmer. I just know from practical experience this is not going to hurt the farmer that we all want to help or the one we are talking about, the little farmer. I think it will help the little farmer.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I want to oppose the pending amendment for a number of reasons, but in view of the arguments made by those who have preceded me, may I say that one of the main points that should be made is that the amendment takes further authority away from the States to deal with the problem involved. This amendment is a further proscription upon the States. Basically, if this limitation which we are attempting to raise is not raised, there will be a further decline in the amount of acreage involved that is improved. The idea behind the program is not to give a handout to the farmers. The idea is to get as much acreage treated in such manner as to prevent poor conservation practices, and to conserve soil.

Mr. Chairman, the idea is not to give any handout to any one farmer to increase his income, but to enrich the soil, to bring about practices that will keep this rich soil available not only to the farmer who is farming it today, but to the people who, we hope, will be farming that land in generations to come. It can only be done through practices that are large enough to be undertaken with the type of payment that is proposed.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I trust that this amendment will not be agreed to. The gentleman from Missouri made a very fine speech awhile ago, and I hope that all of you will agree with him. He stated that the farmer paid one-half or more of the cost of the practices. He also contributes his labor.

Now, what you are doing in this amendment is endangering the tenant and the sharecropper. Do not overlook the fact that those checks are divided between the landowner and his tenant, and the sharecropper. In order for the tenants and sharecroppers to participate in the agricultural-conservation program the landowner must first be given the privilege of coming in. You are going to say, because a farmer saved his money throughout all the years, of such a size as would require tenants or sharecroppers on that farm, he cannot participate in this conservation program, the purpose of which is to assure a fertile and rich soil in the years ahead. You cannot just say that we want to conserve the soil by conserving a very small acreage. If you are going to conserve the soil a large farm and small farm as well as middle sized acreages should be a part of the program. When this program was first inaugurated there was no limit at all. Then it was cut down to \$10,000. Then from \$10,000 it

came down to \$5,000, then to \$2,500, and now they want to further limit it down to \$1,500.

Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the time allotted to me be yielded to the gentleman from Minnesota.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MARSHALL. Mr. Chairman, you know sometimes things get just a little bit amusing. Do you realize that this particular proposition of raising the limitation from \$1,500 to \$2,500 came really from the little farm areas? That is where it came from. Those are the people who proposed to the committee that this limitation was placing a hardship on them.

Now, is it not rather peculiar that we hear so much said that we were hurting the little fellow when we raised this limitation?

I would like to say another thing about this particular feature. Some Members of this body have persisted and believed that agricultural conservation payments are a dole. That is the way they look at it. And, if you think in terms of a dole and you want to limit the amount to \$1,500, I cannot argue with you at all one bit on that score. But, I happen to believe differently than that. I believe that the agricultural conservation program is a necessary program and a worthwhile program to conserve the resources of this country and a cooperative effort with the farmers in this country to do just that.

Now, what do you do when you limit it at \$1,500? One of the things you do is that you tend to siphon the money into program practices that are of a temporary nature. What do you do when you increase the limit? You put it over into the higher priced permanent practices, such as terraces, putting in dams, and things of that kind. You are putting money into permanent practices, things that are set year after year after year to preserve practical soil conservation in this country.

I am interested in another thing. I am one of those people who believes that it is proper for the farmer to make a contribution to these practices. I think he respects them more when he does. And, when the farmer contributes about two-thirds of the cost of these practices, I think that is fine.

Now, I love my committee members over on the Committee on Agriculture. Some of those members are my best friends and some of the finest men that ever served in this House. But, you do have other programs where you are putting in permanent practices where the Government pays 100 percent of those practices; that is, you do not ask the farmer to contribute anything.

Where do some of those practices go? I have been out and have seen some of those practices, and they are worthwhile practices; I am for them; they are good

practices. But they come on some of the larger farms in this country. Mr. Chairman, this amendment ought to be defeated and it ought to be defeated in the name of helping the little fellow to do what needs to be done to conserve the soil of this country.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time has expired. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. HEISTAND) there were—ayes 56, noes 55.

Mr. WHITTEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. REES of Kansas and Mr. WHITTEN.

The Committee again divided, and the tellers reported that there were—ayes 72, noes 74.

So the amendment was rejected.

Mr. PELLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PELLY: On page 18, line 16, strike out "\$250,000,000" and insert in lieu thereof "\$180,000,000"; and on line 21, strike out "fertilizers, lime."

Mr. PELLY. Mr. Chairman, in general debate on this bill, I pointed up the "ridiculous contradiction" of spending \$1 billion to cut down cropland to reduce surpluses, yet on the other hand spending millions to expand crop production on the remaining acreage. Since I covered the subject of this amendment yesterday, I will be brief and to the point today.

This amendment would eliminate two items from the so-called conservation program, namely, free lime and fertilizer which have entailed an annual cost of approximately \$70 million. Lime and fertilizer do not represent true conservation like terracing and tree planting or seeding land with a cover crop. Their purpose is to increase production and their being included is the result of high-pressure lobbying to have the Government do what private enterprise should be doing both in the selling and buying.

Officials of the Department of Agriculture advise me that on payments for lime we have been spending about \$31.9 million a year and on fertilizer about \$37.7 million.

I urge in the interest of reducing the budget and doing away with one element of farming by bureaucracy, in the interest, likewise, of the economy and the consumer-at-large, adoption of my amendment.

(Mr. PELLY asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I know there are great differences of opinion about many things in this bill. But, I would like to point out the gentleman's amendment does not strike out these practices. The language which



the gentleman's amendment would strike out is facilitating language. The right to pay a part of the cost of these particular practices is in the basic law and would continue. This language which the amendment would strike out permits the Department, when it is advantageous to the Government, to pay for these materials and to furnish materials in lieu of furnishing money in an equal amount or in an amount so that it might be acquired elsewhere. It enables this operation to be run more economically with the language than without the language.

Now, I would like to address myself for a moment to this type of practice, which this amendment again does not reach. Witnesses before our committee said—take limestone—if we pay for limestone under the—this is Mr. Koger who heads this program.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. WHITTEN. I yield.

Mr. TABER. The language here is a limitation upon the things that the \$250 million can be used to contract for and, therefore, the elimination of the words "fertilizers and lime" would accomplish the cutting out of that in the letting of the contracts with these farmers.

Mr. WHITTEN. I beg to differ with the gentlemen. If the gentlemen will read the amendment closely, he will see that it strikes out language which will permit the agency to acquire lime and fertilizer. But, the fact that the agency is prohibited from acquiring it, would not at all prevent the agency from paying a part of the cost and doing things to the land. So I respectfully submit that the language here is facilitating language and is not as the gentleman from New York interprets it.

Mr. TABER. I beg to differ with the gentleman.

Mr. WHITTEN. The gentleman from New York has differed with me many, many times and we remain very good friends. But, I would point out again that having worked with this program in detail, as I have, in my judgment and based on the whole experience, this merely cuts out facilitating language and would not in the least prohibit the carrying out of these practices. I want to point out again Mr. Benson, through his assistant who heads this program, says that under present conditions these practices, which again this amendment does not reach, is now limited to those places where it helps to put cover on the land. I would remind you that President Eisenhower only a few weeks ago spoke in Texas and pointed out that we have to have a Great Plains program which has been sponsored by this administration. We have appropriated in the last year because of disasters largely brought about by the lack of cover on the land about \$70 million for a feed program to help in these disasters which, as I have said, have largely been caused by having no cover on the land. Twenty million dollars has been given out of the Treasury to meet the problems of erosion in these areas. The Great Plains program, sponsored by the administration, is in this budget to the tune of \$20 million. Again I am saying that to prohibit

the use of these practices, which are limited according to the administration, to help to bring about permanent cover on this land, is to help to solve this problem in which we put \$110 million in the last year. That is sound business. Again, even if you do not believe that that is sound business, my experience over the many years that I have had to do with running this committee is that this language is merely facilitating language which would be stricken, and it would leave the Government in a situation where it could not go in and acquire these things where it was economically practicable and where they could save money, but it would require them to do it by giving money to farmers to carry it out. I, therefore, submit under either approach the amendment should be defeated.

Mr. JENSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment is ill-advised. If every Member knew exactly what fertilizer does and the great advantage there is in it for the farmers and for the land, there would be very few votes for this amendment.

Here is the story. The extension service of every State, through the land grant colleges, determines the kind of fertilizer that must be used on different soils. There are many different types of soil. It is necessary for people who are skilled in the art of analyzing soil, in order to determine the change that is likely in that soil, and to understand the necessary kinds of fertilizer which the soil needs. So we have many different kinds of commercial fertilizers. Each kind is suited to make the land more productive, of course.

As the gentleman from Mississippi [Mr. WHITTEN] has just explained, we have a situation where, unless we can have good cover crops we will have terrific erosion of our soil. It is necessary to have plenty of vegetation on hilly land. If we do not have it our rich topsoil will soon rush to the rivers and to the seas. Soil conservation benefits all the people living today and for coming generations.

The Great Plains are greatly in need of these commercial fertilizers in order to make it possible for vegetation to grow in that great arid and semiarid country. Fertilizer is necessary to grow vegetation on those Great Plains that add so much to the filling of silt in the great reservoirs that have cost the people of America billions of dollars.

I would dislike very much to see the farmers of this Nation denied an opportunity to acquire the kind of commercial fertilizer that is necessary to supplement the nutrients that are lacking in the soil.

As I said before, fertilizer is not only used to grow more crops such as corn, wheat, and oats, but much is used on pastureland and on every type of land, in order that we may have proper soil conservation. Certainly the soil-conservation program as directed by the Soil Conservation Service has done wonders for every American in this great country of ours for few dollars, comparatively speaking, compared with other things we spend money for which are not nearly as

necessarily useful and as long-lasting as is the great soil-conservation program. If this amendment prevails, the soil-conservation program which all of us support will be much less effective. That is a certainty. I am sure the membership can see the folly of such a proposal.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. JENSEN] has expired.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to this amendment and do so because of the importance of this particular amendment and its effect upon this program.

I know it sounds as though it would be a fine thing to do away with fertilizer, to do away with lime. It may be particularly appealing in a time when we have a surplus of agricultural commodities such as we have at the present; but I do want to point out, Mr. Chairman, that there are many many places in these United States where you cannot get a cover crop unless you first put on lime and fertilizer. That is the only way you can establish a grass cover in some of these places where one is needed so very badly. Some of those areas are not far from the Capital City of Washington. When you go out and see some of the beautiful rolling hills in Virginia, you see where cover crops have been used for grass waterways. And the farther west you go, the problem becomes the greater and the grass cover crop more badly needed.

Let me point out to the Members of the House that every one of the practices in the agriculture conservation program is gone over carefully and recommended by the best soil experts in every State in the Union. It is their recommendation that determines what practices shall be used.

Any State can change the program; if it feels it is not necessary to use lime for fertilizer for the establishment of grass cover crops it is possible for them to eliminate that practice, and under the formula established use the fund for other worthwhile practices. College groups and soil experts have gone over every one of these practices and said that they are the things necessary to conserve the soil resources of this country, to help establish stands of grass and legumes to stop erosion.

Mr. Chairman, in my opinion this amendment would be most disastrous to the agricultural conservation program. It would interfere with conservation programs. In my opinion, in certainly ought to be defeated.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. The gentleman has made a very clear and worthwhile statement. I want to ask him this question: Is it fair or just to say to one big area of this country, the New England area especially, that the farmers up there are not entitled to share in the benefits of this particular conservation program?

Mr. MARSHALL. This practice, as my good friend and my colleague from Minnesota knows, is a most beneficial practice to the New England area. I am glad he called my attention to that.



Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Washington.

Mr. HORAN. Whatever our opinions may be on restrictions and allotments they are still in the law and, of course, we need fertilizer and lime to help the farmer make better use of what he has left after the allotments have been made.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. My understanding of the gentleman's presentation is that this fertilizer and lime is to be used in relation to a conservation program rather than for the increasing of crops per acre.

Mr. MARSHALL. I am glad the gentleman brought that out because the regulations governing the agriculture conservation program in my area, and I rather think it is true nationally, that the principal purpose in mind is the establishment of a stand of grass and legumes and is not to be used on depleted crops. I am sure this is true in every State in the United States.

Mr. BASS of Tennessee. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am opposed to the pending amendment. But the primary reason I take this time is for the record to show that in spite of the fact the President went on television and radio last night in an effort to work up some interest in his budget, my office has received no telephone calls or telegrams today asking me to restore the cuts that we have made in his budget so far.

Mr. BROWN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise at this time to make a few observations in reference to this appropriation that we are considering and to register my opposition to the pending amendment. When you think of all the new, improved, highly questionable activities of the Department of Agriculture these days, you wonder why anyone would pick on the old, tried, and true conservation program to make cuts. This program dates back many, many years; and the amount approved by the committee is not \$1 more than was appropriated last year. Let us defeat the amendment.

Now while I am on my feet, I want to say that this is one vote I shall cast for an appropriation with a lot of misgivings and very little confidence about what it will accomplish.

This is the largest agricultural appropriation in the history of the United States. The Department of Agriculture has more employees than ever before in history—10,000 more this year than last.

We are about to vote some \$3 billion theoretically to help American farmers. But when this appropriation is passed, I hope no one will feel that Congress has done a good job, or that we have discharged our obligation to the Nation's farm problem.

Did you ever stop to figure out how many farmers in your State will participate in the programs financed by this

appropriation? Missouri has more than 200,000 farmers, I am sure; and I know that Missouri's gross farm income is in excess of \$1 billion a year—the only billion-dollar industry we have. Only 2,000 farmers will receive a check from the conservation reserve division of the soil bank this year.

The total amount of all the checks will be three-tenths of 1 percent of Missouri's total gross farm income.

There will be another few thousand checks issued for the acreage reserve portion of the soil bank and another 1 or 2 percent of the farm people of Missouri will get checks that will total less than 2 percent of the total farm income of Missouri. Only a few farmers have good enough bottom land or good enough land of any kind to grow the so-called basic crops that seem to be the foundation of all our agricultural program—cotton, peanuts, tobacco, wheat, corn and rice—and not all the crop farmers sign up for commodity credit support loans. So there will be some few thousand more checks issued to those people who sign up for basic crop-support CCC loans—but the total money involved is less than 6 percent of Missouri's farm income.

Total them all up, soil-bank payments, crop-support checks, conservation payments—all Government checks for all purposes in the State of Missouri will be less than 10 percent of Missouri's total gross farm income. Yet in the State of Mississippi—and I do not single that State out for any particular reason, it is true of many basic crop States—Mississippi has a total gross farm income of only \$500 million; and each year, 30 percent of Mississippi's total farm income will come from Government checks—direct payments or support loans.

I point this out because this thing called a farm program, is not really a farm program at all. It is a basic crop program. Last year, in 1956, a great segment of our American farm population—the poultry raisers—had the worst depression year since the thirties. But there is not anything in this bill or anything that the Government is doing to help correct the poultry depression. It is often said that poultrymen do not want Government help. They would rather shoulder it themselves. But you come down and talk to my people who are growing poultry and ask them how it feels to shoulder a depression yourself when the Government is helping other people shoulder their depression. Ask my livestock growers in south Missouri who will contribute so much to our total gross farm income how it feels to shoulder their depression, their low farm prices, when other people are receiving direct Government checks to support theirs. All I am saying is brought out clearly by the committee in its report, and I am directing the attention of this Committee to it at this time because it is later than we think and we have only a few more weeks or a couple of months or so before this session adjourns.

This committee says:

It is the opinion of the majority of the members of this committee that an entirely new legislative approach must be developed if the present conditions are to be corrected.

This is essential if the farmer is to share in the general prosperity of the rest of the country.

Can we not bear that in mind and can we not call on our great Committee on Agriculture to come forth with some new ideas that will get away from basic crops, acreage allotments, and this monstrous paying of people for growing nothing in an attempt to reduce production. Wherever it is we think we are going, I fear we will never get there this way. Let us get back to fundamentals and meet face to face this problem of the total American agricultural picture with a new program that recognizes the need for new markets, new foreign marketing and development of new methods of disposing of food and fiber, so farmers can farm again.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. PELLY].

The amendment was rejected.

The Clerk read as follows:

#### ACREAGE RESERVE, SOIL BANK

For necessary expenses to carry out an acreage reserve program in accordance with the provisions of subtitles A and C of the Soil Bank Act (7 U. S. C. 1821-1824 and 1802-1814), \$600,000,000: *Provided*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of \$500,000,000 with respect to the 1958 crops.

Mr. HARRISON of Virginia. I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRISON of Virginia: On page 21, strike out all following the word "program" in line 2 and strike out all of line 3.

Mr. HARRISON of Virginia. Mr. Chairman, inasmuch as my good friend from Illinois announced that no speech will last more than 5 minutes, I ask that I be permitted to develop my thoughts on this amendment and, if I have time, I will yield for questions.

Mr. Chairman, this amendment will make this part of the bill read as follows, beginning on the last line on page 20:

*Provided*, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program with respect to the 1958 crops.

Now, this does not spell, and is not intended to spell, the sudden death of the soil-bank acreage reserve. It does not affect any contract that has been made up to this time. The purpose of this amendment is to put the acreage-reserve program on the shelf and give the Committee on Agriculture and Congress opportunity to examine the matter, and to determine whether or not it should be continued after this crop year. I call your attention to the fact that if the Committee on Agriculture proceeds to make such a study and determines that the soil bank should continue another year, a deficiency bill could supply the necessary money and it could go right ahead. If, on the other hand, they proceed to make a study and determine that it should stop, if this \$500 million remains in the bill, it could not be stopped until the 1959 crops.



The soil-bank acreage reserve has been under heavy indictment. First, it is indicated, in effect, by the Secretary of Agriculture, who, in a letter to Senator ELLENDER last week, stated that the entire farm program must be reconsidered. Now, every objection that the Secretary makes in his letter to Senator ELLENDER to the rigid price-support payments would apply with equal, if not greater, force to the payments under the acreage-reserve program. His objection to limitations by acres which apply to the price support on the basic commodities also applies to this.

The acreage reserve of the soil bank is under heavy indictment from the committee which has presented this bill. It has made a very thorough, complete report in which it criticizes the administration of this program and its effect in devastating language.

The Secretary of Agriculture has pointed out that production limitations based on acres do not result in lower production of crops. Let us remember that the only excuse for the acreage reserve of the soil bank was to reduce production, and it is a system of production control based on limiting acres planted to a crop—a system which even the Secretary of Agriculture admits will not work. Then, the committee substantiated this failure by its own investigations and reported that the adoption of this program had not reduced surpluses in the crops affected. Whether it has or not, Mr. Chairman, I would like to point out these facts. The entire price-support program on the basic crops is for the benefit of 23 percent of the cash income of the American farmers. The other 77 percent, some of whom I have the honor to represent here, and who are also to be found in other coastal States, the Middle Atlantic States, the New England States, and in many other States, never have shared in these expensive programs. Now, this program comes along and although they do not share in it, and although it does not reduce surpluses, it transfers the surpluses from the basic crops into the other crops which these 77 percent of the farmers produce, creating new difficulties and injustices.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I yield to the gentleman.

Mr. ALBERT. Does not the gentleman think that this is a matter for the legislative committee?

Mr. HARRISON of Virginia. The object of this amendment is to give the legislative committee an opportunity to consider it. What good would it do for the legislative committee to consider the program if the \$500 million already has been made available for 1958? If the legislative committee says that this program is a national scandal, which I claim it is, then they can stop it, if this money has not been voted in advance. But if we leave this money in, and the legislative committee says that it should be stopped, it would be too late to do it, because the allocations for 1958 would have been made and the program could not be stopped until 1959.

The administration of this program is accompanied by enormous injustices. Mr. Chairman, I call your attention to insertions I have placed in the record on the distribution of this fund among the various States. In the State of Kansas, for example, total soil-bank allotments this year, when related to the total number of farms in the State, figure out to \$736.47 per farm. But in the State of New Hampshire, they figure to only \$1.37 a farm. In my State it is only \$24.96 per farm; why they took the 4 cents off from an even \$25 I do not know, unless it was to take care of the 4-cent postage stamp that they hope to have.

Mr. Chairman, I urge the adoption of this amendment.

Mr. COOLEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am constrained to support this amendment for the very good reasons that have been assigned by the author of the amendment. For the benefit of the Members of the House I should like to say that Secretary Benson is scheduled to appear before our committee tomorrow morning at 10 o'clock. We were prompted to invite him to appear before the committee by the letter which he had written to Senator ELLENDER last week, which was referred to by the gentleman from Virginia [Mr. HARRISON] a moment ago.

In that letter, Secretary Benson indicates that we need a new legislative approach to the farm program. This committee has agreed with Secretary Benson in that regard.

I feel that this amendment is somewhat in the nature of a temporary injunction against the use of this \$500 million until Congress decides clearly whether we should continue this acreage reserve program. We have had evidence of many abuses of the program. It has not only resulted in plowing under farmers, but farm communities and the people of those communities. We had evidence to the effect that it is a very wasteful program, that it actually costs more than twice as much to put a bale of cotton into the soil bank than it does to put it into the foreign markets on a subsidized program. I do not see that any harm could come by granting this temporary injunction on the use of this \$500 million until the legislative committee can work its will on legislation which might be proposed by the Secretary of Agriculture tomorrow morning. As the gentleman from Virginia [Mr. HARRISON] has said, unless we do hold up this money it will no doubt be obligated before we can work our will upon new legislation.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. GARY. Does not the gentleman think that where the Congress has authorized a program—and that is all the general legislation is—and abuses have developed, that it is the duty of the Congress to stop those abuses just as soon as we possibly can?

Mr. COOLEY. I agree with my friend, and I think that the Appropriations Committee has by this report indicated

that it, too, believes that we should put the brakes on this money until we can determine just what the policy of our Government is going to be in 1958.

Five hundred million dollars is a lot of money. I, for one, am anxious to economize if, indeed, we can actually economize by eliminating the expenditure of this stupendous sum of money in the good year 1958. I am frank to say that we are waiting and hoping and praying that the Secretary of Agriculture will come up with something concrete and something constructive. He has seen fit to criticize and to vilify these programs throughout the length and the breadth of the country. All of us are aware of the fact that agriculture is now in a desperate predicament. Think of the money that has been spent and will be spent, and our situation seems to be growing progressively worse.

The Secretary says that surpluses are disappearing and markets are returning, but the facts and figures of his Department belie that statement. The fact is, as he sells 3 bales of cotton he buys 2 bales to take their place. Our investment in inventories has gone up. He took over inventories valued at a little more than \$2.5 billion, and even now, after all of these gigantic losses, we have more than \$8 billion invested in inventory. He took over slightly more than 1 million bales of cotton and now he has approximately 10 million bales of cotton staring him in the face.

We have no panacea. We have offered two-price systems, we have offered compensatory payment programs, equalization fees, and all of the different things, but the Secretary of Agriculture has turned thumbs down on everything that any member of our committee has proposed. The situation is growing worse. I hope the Members of the House will vote for the amendment offered by the gentleman from Virginia [Mr. HARRISON], which, I say, is nothing but a temporary injunction until the committee can meet tomorrow and hear what the Secretary of Agriculture has to offer.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

(Mr. HARVEY asked and was given permission to revise and extend his remarks.)

Mr. HARVEY. Mr. Chairman, in this instance I am certainly constrained to object to the amendment and to say that I believe it would not be in the best interest of agriculture, even in areas that think they are not getting much out of it.

Let me say first of all that the criticisms that have been leveled against the program are hardly valid, for it was inaugurated just late last year. Many of the complaints with respect to starting it in 1956 were voiced by the Secretary himself as being inherent in a program he would be compelled to administer with so little preparation. We are really in just the first year of the program. We have no way yet of knowing how it is going to work.

I am reminded particularly of a statement made by my colleague from Illinois [Mr. SIMPSON] in the committee



that to him one of the most unfortunate aspects of our efforts to help agriculture is that we have not stuck to any one program long enough in a period when we had a peacetime economy to know whether or not it would work.

I hope and pray that you will not literally use the meat ax on this program, because it came out in a bipartisan fashion with the blessing of both sides of the aisle and on the basis that it was the best we could come up with to meet this very critical situation.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman from North Carolina apparently does not like this program. I have sometimes wondered just for sure what he himself does want in the way of a program. He referred to this action as a temporary injunction. It would seem to me that if you strike out all this money that is not a temporary injunction. That is a death blow to the program. Why should we march down the hill so rapidly before we march up the hill, before we have a chance to see what it can do?

Mr. HARVEY. I agree with my colleague and there is one point the gentleman from Virginia made that I should like to address myself to specifically, because it is important.

The Secretary himself said, and I want to be perfectly fair and clear on this, that the basic program accounted for only 23 percent of the gross farm income. Technically speaking that is correct, but here is the gimmick to that. Our program for sustaining grain prices has been the foundation that has sustained livestock prices, and livestock accounts for 60 percent of the total farm income. When you add that 60 percent to the 23 percent, you come up with 83 percent which is an entirely different figure.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. COOLEY. I would just like to say to my friend, the gentleman from Indiana, that I refer to this as a temporary restraining order because if the Secretary tomorrow morning says he wants to continue the acreage reserve program, and if the committee and the House approve, it would be very easy to bring this provision in, in a supplemental appropriation bill. But, if we do not tie the money down now, it will certainly be obligated in the next few weeks.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. HALLECK. If that is the reasoning of the gentleman, it is one of the weirdest things I have ever heard proposed around here. Here is this appropriation bill brought in to provide money for this program—

Mr. COOLEY. For next year.

Mr. HALLECK. Then it would seem to me better to go ahead with the bill and provide the money. Then, if the program is abandoned, they would not spend the money.

Mr. COOLEY. That is all right except for the fact that it would be obli-

gated on contracts with farmers and we would have to keep faith with the program and go on with it whether we wanted to or not.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. BELCHER. What would be signed up within the next few weeks? All the corn contracts have been signed. There are no wheat or cotton contracts that would be signed up within the next few weeks.

Mr. COOLEY. That would be for the wheat coming out for next year.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. WHITTEN. I would like to point out that I am speaking for the committee's position. We personally felt we should handle it as we did, but I would like to point out to the gentleman from Indiana, in view of his comments and questions, that involved in this bill are two things, the money to pay for this year's contract, which is not touched by this amendment, and an announcement of the program for 1958. The amendment merely limits or restricts the entering into any contracts for next year. But, the money will continue in the bill to pay for this year's contracts. I thought that ought to be made clear.

Mr. HARVEY. I thank the gentleman.

Mr. Chairman, I would like to say, in conclusion, that we embarked upon this program in good faith. Both parties believed in it. I think we ought to have at least the good faith to continue until the program itself has had a chance to prove itself. Certainly, we will not be doing that by this kind of action. To me this drastic action would be detrimental and destructive to the entire well-being of agriculture.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think here is a place where we need to use a little moderation. I say that in all sincerity. I, too, as members of the full Committee on Appropriations well know, have been critical of some of the actions in regard to the acreage reserve. I, too, am of the opinion that unless we can correct the deficiencies in these operations, and unless we can prevent the acreage-reserve program from being used as a crop-insurance measure or as a drought-relief measure, I then would be personally obliged to recommend to my subcommittee that we abolish this particular section of the soil bank. But let us not do anything foolhardy here today. We on the subcommittee, under the leadership of the gentleman from Mississippi [Mr. WHITTEN] have brought out through our investigation that certain deficiencies do exist. What are we doing? We are saying to the Department, because of those deficiencies and defects, we are holding down the size of this particular program for the crop year 1958 from the \$750 million program, which the gentleman from North Carolina [Mr. COOLEY] and his committee approved last year down to \$500 million. That is a one-third reduc-

tion for the express purpose of tightening up the administration of the program, but we still want to see that \$500 million made available to farmers if they want it. This is a voluntary program and not forced on anyone.

In other words, our subcommittee is putting on the brakes, and we certainly do not intend to come in here and kill it today, as the gentleman from North Carolina [Mr. COOLEY] and others would like you to do, before this particular section of the program has even had a full year's operation. Let us not be foolhardy. Let us use moderation. Moderation is exactly what we on this subcommittee have proposed. That is, we are reducing the program next year from \$750 million down to \$500 million. I will give you my word—and I am sure the balance of my subcommittee will agree—that unless we can get these few little items of discord corrected that we are going to be very, very hard upon the acreage reserve portion of the soil bank. I am speaking as one of the two original authors of this entire program in this House—Mr. MARSHALL and myself. I want to reiterate that Mr. MARSHALL and I agree that the other section, the soil-conservation section, is the real soil bank. That was what we had in mind when we first proposed a soil-bank program. But, in regard to the acreage reserve, do not depress the price of wheat in Chicago and other markets by 10 cents or more by taking unconscionable action here. Remember that this acreage reserve, in spite of what has been said against it, has already been responsible for knocking down the production of wheat and corn in the great Midwest. In that way it has been saving the taxpayers hundreds of millions of dollars in storage charges and in price-support charges that they otherwise have to meet. No. Let us be moderate. Let us not listen in this case to the gentleman from North Carolina [Mr. COOLEY], much as I respect him, but let us go ahead with this program and try it for at least 1 full year, and then next year let us take stock. But this argument that unless we do it now we never can do it is fallacious. After all, we on this Subcommittee on Appropriations will see that no funds are available in a hurry if we find that these abuses, which are not as heavy as some might indicate, are corrected. I will guarantee to you that our subcommittee will get tough.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield back the remainder of my time.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to the fact that about a year ago I stood at this same spot and pointed out that while this soil bank could, and I hoped, would be a measure of assistance to individual farmers in certain cases, that it was certain in the long run to reduce community income and to reduce national income from agriculture by approximately 50 percent to the extent that it was effective. I think that all who have observed the operation of the program will now agree that that is cer-



tainly true; that the whole community suffers when we place a large portion of our productive land in acreage reserve.

Last week the Secretary of Agriculture, who originally suggested the soil bank, sent a letter to the chairman of a committee in another body, and made it public, in which he said that the soil bank had failed. I do not know just how far we have to go when our own experience proves that the program is having a disastrous effect on many of our communities; when our Secretary of Agriculture publicly and officially states that the program is a failure, and when no friend of the program even contends that this acreage reserve is working. I do not know why we should require it to continue for years past the time that outstanding contracts expire. If the program proves itself good in 1957 there will still be opportunity to provide funds for 1958. This amendment simply places the burden on the program to prove its value. The proponents of the existing arrangement have repeatedly insisted that we should give the program a full year's trial before we judge it. As I see it if we are to keep ourselves free to actually be guided by the experience of a full year's history we must surely avoid any commitments for 1958. That is exactly what this amendment does.

The amendment is carefully drawn so as not to deprive anyone of any contractual rights he now possesses. But by the same token it says that we in agriculture are as interested as other Members of this House in saving the solvency of America. We have half a billion dollars at stake in this amendment—half a billion dollars.

The President of the United States said last night you could not cut his budget. I am telling you where you can cut his budget and I am not asking you to cut it out of somebody else's pocket; I am telling you where you can cut this budget and take it out of the agriculture bill in which I am deeply interested. I am not telling you to cut the other man's budget; I am telling you where you can cut the budget for the Department of Agriculture, I am telling you how you can save half a billion dollars. I do not want to be unfair to anybody but I want to see just how interested you are in a real budget cut. Now if you are serious about this savings proposition here we have the real hard test.

Do you want to save your budget or do you want to save your Secretary of Agriculture? It is just that simple. It is just a question: Are you really sincerely interested in cutting this budget?

The farmers of America are not here asking you to spend this half billion dollars; they are here asking you to balance this budget; they are here saying they are willing to make their contribution to it.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to my chairman.

Mr. COOLEY. I would just like to say again for the benefit of the House that tomorrow morning we will have the Secretary of Agriculture before our commit-

tee for the first time in weeks and months. Then we will find out whether he wants this program continued. He himself has denounced it. Not only that but the committee says the advisability of continuing this program is doubtful. Why should we appropriate the \$500 million if the committee is in doubt about it, the Secretary is in doubt about it, and we are all in doubt about it?

Mr. POAGE. There is so much difference of opinion on this acreage reserve program that unless we act now we may very well find ourselves in the position where we have made commitments. To change them we would have to break promises. That is not the way to do business. Before we make promises let us be sure that we want to follow the program.

If you mean to save money, if you are serious about saving money, do not commit us to the point where we have to break promises in order to save it. This is one of the few opportunities you have had to make a saving without breaking some promises that have already been made. I plead with the House, if you are serious about economy, if you want to save half a billion dollars, let us vote for this amendment. If we are to have economy we must cut some items. Somebody profits by every one of these items, but surely there is less prospective loss to farmers in this cut than in any comparable cut that anyone has suggested. Let us keep our sound farm program. Let us appropriate enough to pay for them. Let us make the cuts on the doubtful items. Surely this is doubtful to say the least.

(Mr. RAINS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. RAINS. Mr. Chairman, I take this time to point out the importance to American agriculture of the agricultural county agents and the home demonstration agents, and the inadequacy of their present salaries.

Along with several outstanding county agents from my State of Alabama, I appeared before the Subcommittee on Agriculture Appropriations, chaired by the distinguished gentleman from Mississippi [Mr. WHITTEN] in an effort to spotlight the great inequities which exist in nearly every State in the Union, with reference to salaries for agriculture county agents, and home demonstration agents.

I am pleased to note that the committee report recognizes the inadequacy of salaries for these dedicated servants of the people, and pays tribute to them in the following language:

It should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural system.

In the record of the hearings before the Agriculture Appropriations Committee, the gentleman from Mississippi, Chairman WHITTEN, the gentleman from Kentucky [Mr. NATCHER], the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and the gentleman from Minnesota [Mr. MARSHALL] made it clear that they feel something should be done to adjust the

salaries of county agents upward to a reasonable level and on at least a parity with other agricultural workers. I want to commend each of my colleagues on the Subcommittee for Appropriations for Agriculture, for the manifest interest they have shown in this problem, and to express the hope that something will be done before the final passage of the agricultural appropriations bill to alleviate the situation in which we find our county agents.

It is interesting but sad to note that county agents' salaries, extremely low in some States, now average \$6,115 annually. The average for ASC office managers is \$7,000. This disparity between agricultural workers should not be allowed to continue. I certainly am not advocating that the salaries of ASC office managers be reduced, but I am insisting that we should raise the salaries of our county agents, the accepted deans of agriculture, in our counties. It is clear to all of us that no organization can be stronger than its personnel. It is a well known fact that county agents are leaving the Extension Service in large numbers, and new recruitments, because of extremely low salaries are not available. It is an alarming fact to note that enrollment in many outstanding agricultural colleges by high-school students to pursue courses in agriculture to train for county agents' careers is off 50 percent to what it was 10 years ago. Director G. C. Gipson, of the Texas Extension Service, has stated that enrollment of college students to pursue courses in agriculture, throughout the Nation was off 36 percent.

Naturally, high-school students are not going to enroll in a course whose pay scale is so notoriously low, as is the county agents and home demonstration agents. It seems a little strange to me, since a considerable portion of the salaries of county agents is paid by the Federal Government, that the Committee on Appropriations for Agriculture finds it beyond the power of the Appropriations Committee to correct this salary deficiency. I understand, of course, that contributions to county agents' salaries are made by the States and by the counties, but I feel there should be some way whereby adequate Federal funds could be earmarked for matching basis by the State and county, to bring these salaries up to levels comparable with other agricultural employees. In my own State of Alabama, I am convinced beyond peradventure of a doubt, that the extension director, the Honorable P. O. Davis, one of Alabama's most distinguished public servants in the field of agriculture, one who has the welfare of county agents and home demonstration agents at heart, would, without hesitancy, if the funds were available and he had the authority, make the adjustments in these salaries which should be made.

I think that we here in the Congress should do something specific about this matter. Also, I think it is high time that those in charge of the Extension Service at the top level, in the Department of Agriculture, and the Secretary himself, should realize the plight of these faith-



ful men and women in the county agents and home demonstration offices, and do something about it.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my good friend the gentleman from North Carolina [Mr. COOLEY] and my good friend from Texas may recall that when we recently had the corn legislation before us I stated that they confused me. They are confusing me again.

My good friend the gentleman from Texas [Mr. POAGE] says that here is an opportunity to save half a billion dollars, but when the emergency corn bill was under consideration in March he offered an amendment that would increase the cost \$750 million to \$1 billion.

The gentleman must be more stable than that. You cannot stand here today and attempt to cut \$500 million out of one bill and then advocate another amendment for the same objective that would add \$750 million to the cost of the same legislation. It does not add up.

The gentleman spoke of the Secretary of Agriculture and his appearance before his committee, on tomorrow. What will be the practical result? This bill will be passed here today and be over to the Senate by the time Secretary Benson can come before the committee and the committee then learn what his views on this matter are. Read the RECORD of yesterday and you will find a letter from the Secretary in which he expressed himself. That letter is part of the RECORD and was read into the RECORD by the gentleman from Colorado [Mr. HILL]. The letter was addressed to the gentleman from Mississippi [Mr. WHITTEN], chairman of the subcommittee. In the letter he said this, and so this gives you the information you want:

The Department cannot agree with this position. The soil-bank program has received bipartisan support from all those who recognize that no program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program.

Here is the sentence that is important, and this is the Secretary speaking in his letter to the chairman of the Subcommittee on Agriculture, the gentleman from Mississippi [Mr. WHITTEN]:

The law makes a soil-bank commitment to farmers through 1959. This commitment should be carried out.

In other words, the gentleman from North Carolina does not have to wait until tomorrow to find out what the Secretary says. But the Secretary set forth in his letter that he wanted this program and that is what this House ought to do. Accordingly I am giving you this information in order that you may reverse your position and not support the pending amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Ohio.

Mr. VORYS. Everyone has been talking about what the Secretary said somewhere to somebody. As one who is

not an expert on farm matters, I am interested in the letter the gentleman from Illinois has been reading, because it contains what the Secretary wrote to the House yesterday, giving his views. I want to quote another part of that letter:

The House committee report says that they "have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did."

Then the Secretary says, and this is something I can understand:

This sounds like the committee is condemning it because they think it didn't work, but if it is successful, they will condemn it anyway.

If that is the sort of view the committee takes on it, I am willing to go along with something that a city man can understand about this program.

Here is what the Secretary says in his letter:

No program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program.

He also says that the present law makes the soil-bank commitment until 1959. That is something I can understand. I am not confused about that.

Mr. ARENDS. So we must go ahead with the contracts that we have entered into with our farmer friends on the basis of the practices now followed for 1957. Do not be misled by the idea that we should withdraw because of the money. After all, as I said a moment ago, this quick shifting position is not going to get us anywhere. We cannot save money today and put some back tomorrow, add to it. This clarifies the situation very much. So let us pass the bill now as it is written.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I want to say that the chairman of the committee made it perfectly clear that this amendment does not in any way affect the 1957 program. It affects the 1958 program. The gentleman talks about the success of it. Please tell the committee with the expenditure of \$179 million last year in the corn-producing area how much reduction we had in the overall production of corn?

Mr. ARENDS. The whole problem of agriculture and the matter of reduction depend a lot on what the Good Lord does. In the State of Illinois he smiled on us last year and we had the greatest corn production that we have had for years. For that, we are thankful. However, the big reason the reduction in acreage was not as large as might have been expected, was the fault of the Congress in not making the program effective at an earlier date. The program for the crop year 1956 was not given a fair chance to really work. The emergency-corn legislation if passed in March of this year would have permitted hundreds of thousands of acres

of corn to go into the program for the crop year 1957.

Mr. COOLEY. The Secretary said he got more cooperation than he anticipated.

Mr. ARENDS. The gentleman is not telling us where these acres are. I know where they are. They are not in our part of the country where we grow the greatest amount of corn. They are in other parts of the country where there are less productive acres.

Mr. BELCHER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it has been my policy since I have been a Member of the House of Representatives to never engage in partisan politics on the floor. I think my record is clear in that respect.

Now in this particular instance may I say that every year the Committee on Agriculture, until this year, has been a nonpartisan group. But this year we have divided right down the middle. I do not know who has been responsible for that, but I have told my own committee members many times that when we start washing our dirty linen on the floor instead of in committee, we are going to run into trouble.

Now, my good chairman of the committee says that in just a day or two we will hear the Secretary of Agriculture. Well, we have had ever since January to hear the Secretary of Agriculture. If you thought the soil bank was not a success, why has not a bill been introduced to kill the soil bank and not come in in the last 15 minutes and kill the appropriation for it?

There has been talk of confusion. We are saying to the farmers that we have a soil-bank program. Today we are saying to the farmers we have no money. Now, take the people out in the field. What are they going to tell the farmers day after tomorrow? Are we going to have a program or are we not going to have a program? We do not know until the gentleman from North Carolina [Mr. COOLEY] questions the Secretary of Agriculture and determines whether the soil bank is a good proposition.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. I have introduced a bill to do away with it, and I have asked them to give me time to consider the bill before they make allocations for the 1958 crops.

Mr. BELCHER. There will be no allocation made under this until the Committee on Agriculture can thoroughly go into the entire soil-bank program and kill the entire thing before \$1 of this will be committed.

Mr. HARRISON of Virginia. How can you say that when the bill carries appropriations for the 1958 crops of \$500 million?

Mr. BELCHER. Some of you have said you have been confused at the attitude and statement of the gentleman from Texas. I have not been confused. He told me very frankly in our committee that if any bill came to the floor that did not include feed grains or do



something for the people of his district, he would be against it. Apparently this does not include feed grains and it is not going to give any money to the people in his district. Frankly, I am not confused with his attitude and I am not confused with the attitude of the chairman of the committee, but I think it is a very poor policy, and I am saying this to other members of our committee. I have said this many times. It is a poor policy to get up here and use this method of trying to kill this program. Let us go back to our committee. Let us consider the soil bank thoroughly and completely. I am not defending or condemning the soil bank. I am one Member of this House who did not rush in and try to claim credit for it, but I do not know of anybody else connected with the Committee on Agriculture that did not. I was for the two-price system for wheat. That was my part of the bill. But you all rushed in and claimed credit, and now you are all rushing in and saying that it is the worst program that was ever brought here. If it is, kill it.

Mr. ABERNETHY. I did not claim any credit for it.

Mr. BELCHER. I do not recall that the gentleman said anything against it, but so far as that is concerned, if you say you did not claim any credit for it, that is all right. I know you are not claiming credit for it now.

Mr. ABERNETHY. That is right.

Mr. BELCHER. What you did in the past, I do not know.

Mr. ABERNETHY. Certainly not now, with the experience we have had.

Mr. BELCHER. I want to give my chairman this little bit of advice, because I so seldom get to say anything before the committee that I have to take the floor of the House to get to say anything. By the time you get down by the second member of the majority side of our committee, the rest of us are as silent as a thief in the night.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I will yield.

Mr. COOLEY. I want to make it perfectly clear I am not trying to kill the soil conservation reserve program. What I said to begin with, I want to go into it with an open mind, but I do not want to go into it with \$500 million already obligated. I want to hear the Secretary thoroughly and fully, and I am not saying now that I am not opposed to its continuation.

Mr. BELCHER. Let me ask the gentleman one question. How long has it been since he knew there was an appropriation bill coming to this floor appropriating money for this program?

Mr. COOLEY. The gentleman from Virginia [Mr. HARRISON] has had a bill before our committee for sometime, but we have had no hearings.

Mr. BELCHER. You knew since the 1st of January that this House would be called upon to appropriate funds for this program.

Mr. COOLEY. That is right.

Mr. BELCHER. And you have not done anything to investigate or kill the soil bank.

Mr. COOLEY. This is the first opportunity we had to bring the matter up.

Mr. BELCHER. Look at the time we spent on the corn bill and a few other bills we have had here since the 1st of January.

Mr. COOLEY. I will try to recognize the gentleman tomorrow before the committee, since he has been so kind to me this evening.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. HALLECK. Mr. Chairman, would the gentleman yield?

Mr. VURSELL. I would be glad to yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, a little while ago the gentleman from North Carolina [Mr. COOLEY] characterized this proposed action as a temporary injunction and subsequently sought, after I raised some question about it, to explain again that it was a temporary injunction. If I understand the gentleman from Virginia [Mr. HARRISON] correctly, the author of the amendment, it is no temporary injunction with him; it is the death blow to this program. He is against it all. He wants it destroyed; is not that correct?

Mr. HARRISON of Virginia. Yes, sir; I want a chance to prove my charges against it. But if you put this money in, we will get no chance to prove those charges.

Mr. HALLECK. And now we understand what the situation is. The gentleman from Virginia [Mr. HARRISON] is forthright. He wants to kill the program. He has had a bill to kill the program before the Committee on Agriculture and, as was so ably pointed out by our colleague the gentleman from Oklahoma [Mr. BELCHER], the chairman of the committee has done nothing to approach this matter in the place where it should be approached. But the chairman of the committee now comes in, apparently through the side door and under the guise of a temporary injunction and joins up with the gentleman from Virginia to kill the program.

We have now got it fairly clear that there is something here that seems, may I say as I said a moment ago, just a little weird.

I want to say this about the soil-bank program. It has been said before, and we might as well understand it. Criticism was leveled against it principally because the program was put into operation so late last year that it has not yet had a chance to establish how good it is. And so I say that it comes with poor grace, most of that delay having been occasioned by the people on the other side of the aisle, to come in here now, before the program has had a chance to prove itself, and undertake to chop it off, not by a presentation before the Committee on Agriculture where it should be had, but by summary, arbitrary action, which would lead only to confusion in the country; because the farmers would not know where they stood. They come in here now with an amendment to strike out the money. I want to say to my friends on the Democratic side of the aisle that they may think they are con-

fusing a great many farmers, but believe me, the farmers are not quite that dumb. You cannot play fast and loose with them all the time and get by with it. I will say to you on the Democratic side that you had better be for something and stick with it until it has a chance to prove itself.

Mr. VURSELL. Mr. Chairman, the gentleman from Indiana [Mr. HALLECK] might have gone further and said that Mr. COOLEY's assistant chairman, the gentleman from Texas [Mr. POAGE], came on the floor today, has just said he wants to knock out the \$500 million and kill the soil-bank bill. I am just wondering, after they delayed this bill so that we could not have it become effective in 1956, and then after we finally drove them into a corner where they thought it was popular enough, and they supported it and finally took credit for it and now when they come back and try to kill it and having killed the corn bill this year—I wonder just how much they think the farmers of this country will appreciate what they are doing and how they will actually feel about it. It would seem they have done enough in the past against the interest of the farmers.

It would seem to me that when they have stymied the soil bank bill, when they have proven themselves selfish to the core in fighting it from the very beginning, they might ask themselves how much damage they want to do agriculture nationwide in this session of the Congress, by the selfish manner in which they have approached this bill.

The great Farm Bureau Federation of 1,600,000 members is for this bill. They are for the soil-bank bill. They are against destroying it and taking the \$500 million out of this appropriation bill. The Illinois Agriculture Association takes the same position. Nearly all of the Members who really understand the agricultural situation, except the gentlemen who are trying to pervert the purposes of agriculture and who are in leadership on the Democratic side, know that the soil bank has not had an opportunity to prove itself. They know that if this amendment is successful it will confuse and discourage the farmers; it will drive farm prices down immediately and strike a blow to the agriculture of this Nation that we have been trying for a year and a half to recuperate to the point where we are now.

Mr. Chairman, this amendment must be defeated in the interest of agriculture, and the farmers of America.

Mr. HORAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I shall be very brief because I think the issue is very easily understood by all of you here. I do want to remind you, though, that about a year ago the surplus commodities in the stocks of the Commodity Credit Corporation almost reached \$9 billion and the storage costs ran higher than a million a day. Whether we are for or against the existing farm legislation, we have nothing on our books, no programs for us on this subcommittee to work with, that would make some headway in reducing that tremendous amount of sur-



plus commodities in the Commodity Credit Corporation's stocks.

Then last year the House and the other body passed and the President signed the soil bank bill. It is the only thing we have in our present program that might make some headway against the creation of surpluses. That is all we have before our committee. In the name of the farmers' welfare, I think it is decidedly unfair to attempt at this time to knock out even the amount that our subcommittee allowed in this bill. I hope this amendment is rejected.

Mr. JONES of Missouri. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, may I say at the outset that while I generally do not approve of this way of legislating, at the same time we must admit that it is possibly the most effective way of bringing about some economy, that we feel we need, especially in view of the fact that not only has the Secretary admitted that the soil bank program, particularly the acreage reserve program, has not been working, but we know that it has not reduced production, we know that it has not done the thing we had hoped it would do.

The main thing to which I should like to call your attention is this—and I address particularly those who are for the general agricultural economy: I think we who are friends of the farmer know that we are in the position of being criticized on the ground that the farmer of America has received such a large sum in appropriations. Here we have an opportunity to save a half billion dollars, to reduce the amount that is being proposed to be appropriated for agriculture, which will not accomplish the purpose for which it is being appropriated. On the other hand, after we have heard the Secretary and after we have had some assurance that we are accomplishing something, then we still can appropriate money for it. But I hate to see money appropriated and charged to agriculture which is not contributing to the welfare of the farmer. Many other programs are also being charged to agriculture from which the farmer does not get any value at all. He gets no benefit from them. The contribution is made for other purposes. I would say that even the school-lunch program, the foreign-aid program, the surplus-disposal program, a lot of those programs, are going for the benefit of other people, yet they are charged to agriculture, and people are saying, "Well, we are giving the farmer all of this money." Here is a chance, I think, to save a half billion dollars and to take it off the agricultural bill, because we who live in areas where the program has been operating know that in the main it has not gone for the purpose of reducing production. Yet that was the only reason that we could have for wanting to start the program. Since it has not worked, this is an opportunity to really save some money and to take it away from the agricultural program.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield.

Mr. WINSTEAD. I notice there has been quite a bit of discussion as to who

took the credit for this bill last year. I thought it was pretty well agreed that Mr. Henry Wallace was the first man who ever proposed this type of plan, and that after President Eisenhower vetoed the agricultural bill which the Congress passed last year in the closing days of the session, in view of the plight in which we found the farmers, we almost had to take or leave this program, and we took this soil-bank program as a last resort last year.

Mr. JONES of Missouri. I think that is true. I thank the gentleman.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, if you want to kill the soil bank plan, then vote for this amendment. I think you should know something about the origin of this bill; how it was drafted; how it was enacted into law. I sat on the conference committee with the gentleman from North Carolina, the gentleman from Texas and one of his colleagues. They had a majority of the conferees. They not only wrote the soil bank bill according to their own pattern into H. R. 12, which was eventually vetoed by the President, but they also wrote it according to their own pattern into the bill which was passed and which eventually became law. So that they had the majority on the conference committee and they dictated the provisions of the soil bank bill, which was enacted into law. Now before the law has had a fair chance to operate, they want to destroy it. They refer to the fact that the soil bank has not been a success. Well, it did not go into operation until last June in 1956, after all the crops were planted in this country. Undoubtedly, some mistakes were made in the administration of the law. But who made the mistakes? The mistakes, if there were any, were made by the county committees. Most of the mistakes furthermore were made in the southern part of the country where they had the drought situation and where a good many farmers through the southern States received payments in the drought area which probably the county committees passed on, and which they should not have otherwise received.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. H. CARL ANDERSEN. The gentleman spoke about these payments. It is my recollection last summer, and I want to be fair with Secretary Benson because I have been critical of him, last summer Secretary Benson had so much pressure put upon him by gentlemen, mainly from the other side of the aisle, to make this particular program largely a drought relief measure that it comes with poor grace, in my opinion, for them now to criticize that very same defect which they helped to bring about.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. H. CARL ANDERSEN. And that was against Mr. Benson's opposition.

Mr. AUGUST H. ANDRESEN. I thank the gentleman. I am not here to criticize Secretary Benson. I do not always agree with him, but certainly I

want to stand on principle and issues rather than to attack an individual.

I think it comes with poor grace for the chairman of my committee and the vice chairman of the committee to attack this bill. I am not certain that the soil bank plan is ever going to work out. The acreage reserve program is only adopted for 3 years and then it terminates, but I want it at least to have 1 full year's trial for a full crop year that is, which we are going to have this year, to see whether or not it does work. The theory of it was that it would take tillable land out of cultivation and reduce our surplus. We will not know until the 1957 crop is harvested and then we will find out whether or not it is a success.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HORAN. The gentleman feels that it should be given an honest and fair chance?

Mr. AUGUST H. ANDRESEN. I certainly do. Yet, I am skeptical about the success of it. But certainly as long as we have the law on the statute books, and since your committee has made adequate appropriations to carry it on in 1958, I want to see it have a full and fair trial. It may succeed. If it does, then the country will be the winner with a program which for the first time will give new life to agriculture and will help to solve the agricultural surplus problem.

Let me urge you here and now to vote down this amendment; give this soil bank a fair trial so that we can see whether or not it will work. I hope it will work. I want to see it succeed. While it does not help my district a great deal, the indirect benefits may be helpful in reducing the surpluses of basic commodities in this country which the soil bank deals with.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has expired.

Mr. SMITH of Virginia. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am not an expert on farm legislation. I do not criticize the Secretary of Agriculture, I do not criticize the members of the committee about what they have been doing, I am not criticizing anybody when I get up here in behalf of a subject that is foremost in the minds of the American people, as we all know, the subject of economy. We all know that if we are going to get around to the point where we can reduce expenditures, where we can reduce our taxes correspondingly, we must stop some of these programs, and particularly the new ones. The report of this committee was that with the brief experimental experience they have had this program has been bad. Money has been wasted. The purpose of this amendment is to stop that waste. It will give this program, under this amendment, a full year of operation. Then you can see whether you think it is wise or whether it is unwise.

I have been surprised to see some Members, who have talked so strongly for reducing expenditures, get up here and defend this program. I know they



are actuated largely by what they consider the desires of their constituents. I am not sure they are right about it. But it does remind me of an incident that occurred 2 or 3 nights ago when I was visiting down home in my district and went to a little social function. Everybody there was asking me about how much you are going to reduce this budget. "Are you not going to cut this budget?" One gentleman who was very vociferous about it said to me, "You must cut this budget, but," he said, "there is one good thing in that budget and that is that soil bank." He said, "You know I had a little patch located that I could put wheat in and I put it in the soil bank and the Government paid me more money for it than if I had planted the wheat and done the work and sold the wheat."

Is that not about what is the matter with the folks who feel that their own constituents are going to have their ox gored some by this little piece of economy?

This Congress has stood up pretty well on the matter of cutting the budget. Let us not get away from the primary thing that this Congress must do in this session, and that is to reduce expenditures and get the fiscal affairs of this Nation back on a sound basis.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, if I may proceed for half a minute, let me state that if this amendment is agreed to I shall most certainly demand a roll call when we get back into the House, for this is an action which if sustained would take out of the pockets of the farmers of the Nation \$500 million. That money goes directly to the farmers of the Nation. If the Members want to take this \$500 million out of the depressed agriculture today by voting for this amendment I say that is their privilege, but I am going to insist on a rollcall when the measure comes back to the House for final decision.

Mr. MARSHALL. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, when we held hearings on the appropriation bill this year I had some reservations in my own mind concerning this item in the bill. We had investigators who made inquiries into this program and we found some rather surprising and amazing things. To my knowledge no person has appeared before our committee or spoken on the floor of the House and has said that the program was well administered last year. But forgetting about last year's administration, let us think about this year. I regret to say that if there is any effective administration in the program as of this year I have not observed it.

I spent some time back with my farmers in my district; I have heard from some of my farmers about this particular matter. Do you know that in the corn area farmers operate two different tracts of land? They put one in and stay within the agricultural allotment, then they put the second in with all the corn they can possibly plant. And then you talk about this thing being a control of production.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. Not until I have completed my statement.

In my book there is only one reason for the agricultural reserve fund, the soil bank, and that is for the purpose of controlling production. That is something that we definitely are not doing. The committee has not touched this year's contracts. These contracts on acreage reserve are on a year-to-year basis. The Department has not made any commitments for 1958. The 3 years that some Members have talked about relate to the date of expiration of the law.

When we considered this bill and when we marked it up we had some hesitancy as to whether we as members of the Appropriations Committee ought to get into the legislative angle of this particular piece of legislation; and certainly the discussion on the floor of the House has indicated to me that the legislative Committee on Agriculture are very much torn apart and very much in doubt about this piece of legislation. You heard the Secretary of Agriculture's letter read yesterday by my very good friend the gentleman from Colorado. You will find it at page 6134 of yesterday's RECORD. I want to read a portion of it to you:

It might be possible to work out regulations which would be stiff enough to really control production. But the evidence of 25 years is that farmers do not want such controls and the Congress will not enact them.

Controls have been watered down by law to such a point that they do not really control production. Even a cursory examination of the legal minimum acreage provisions for most of the basic crops reveals that these allotments will not overcome the effects of increasing production efficiency.

Mr. Chairman, here is the man who will administer this program, this program that is going to cost the taxpayers of this country \$500 million, and this man who is going to administer the program said in his message to the House read by my good friend yesterday that this program will not work. Do you say that we as Members of the House ought to appropriate money on such a basis as that? If you want that kind of loose administration of a man who has said this acreage reserve will not work, then, of course, you should not support the pending amendment. If you want to spend the taxpayers' money in that lax manner for a program that is discredited by the farmers in my area, go ahead and vote against the amendment offered by the gentleman from Virginia [Mr. HARRISON].

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Illinois.

Mr. ARENDS. My friend from Minnesota always tries to be fair, but I think in the condemnation of the administration and this program for last year, he is just bordering on being fair. In other words, this legislation was passed by the Congress late in the last year and I do not think he, I, or any other human being could have effectively administered the program in the short space of time

we had to do it, with the farmers with most of their crops already in the ground. The action of the Congress was late and that made it almost humanly impossible to do as good an administrative job as we all might have liked.

Mr. MARSHALL. I am glad the gentleman makes that statement. Who vetoed the legislation last year? This bill passed last year. Admittedly it passed late. The Department, however, did not put it into operation until August. I am not condemning all of the things last year but what I am condemning is this: From what we have found and from what my knowledge is, those things that were wrong last year have not been corrected to the extent they could work this year. The statement of the Secretary of Agriculture which he sent up yesterday admits it and says it to the Members of the House of Representatives. The amendment ought to be adopted.

Mr. LONG. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, it has been said here today that somebody has confused somebody else. I do not know. I think a Republican said that the Democrats had confused them before and they were trying to confuse the Democrats now. That is what it looks like.

Mr. Chairman, I want to confine myself to a few brief remarks about some practical facts that you can take home and think about as we vote on this measure.

In my State this is a windfall for the drugstore farmers and the bankers, the big people. I have heard it said here today that this is a program for the little man. If that is the truth, then we do not have any little men in my State—they are all big-business farmers.

Now, let me tell you what they do. They put the land in the soil bank, they draw money, they go out and plant it in pine trees. They borrow the money from the bank to buy the land, the soil bank pays for it, and they get the land and the trees all for nothing. That is the way the program is working and there is no use kidding yourselves.

They say this is a fair program. How fair is it? Let me tell you how we got the program. The President vetoed a program last year that would have worked but we came back in here confused and voted for this program—a program that will not work. If it does work it will not work fairly and squarely for the people.

Let me refer to the State of my good friend from Kansas. The State of Kansas gets as much money out of this program as 25 other States. They say the money is distributed so that we can have a prosperous economy and all of those things. But what I have said is the truth. If I read the RECORD right, and I have it here in my hand—if I am not right you can correct me—the State of Kansas gets an average of \$750 a farm while the State of Louisiana, the Eighth District of which I have the pleasure of representing, gets \$100 per farm. How is that for a fair program?

Let us not be confused about this soil-bank program. It is a misnomer. It



never will help the little farmer and I do not think that those who have advocated this very strongly think so themselves. So, let us not be concerned about this thing. We are talking about economy, but we come right in here where we have a chance to practice just a little economy, and not hurt anybody at all, and yet we back up on it. It comes to where the men on this side, or any of us who are supporting this amendment are immediately branded as monstrosities. We have turned out to be bad men, and you can hardly afford to sit as close to us as you are. Do not let us be foolish about this soil-bank program. It does not help anybody. It does not help the farmer. It is going to take money out of the taxpayer's pocket and help to pay for some land for some pseudo farmer. That is all there is to it, and that is as simple as I can make it.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Might I ask the gentleman from Mississippi if we could not agree to limit debate by unanimous consent?

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 30 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. TABER. Mr. Chairman, there were two parts to the so-called soil-bank proposition, one of which was what they call the acreage reserve in the soil bank, and that item is covered and included in the \$535 million in a previous paragraph in the bill. That was the type of soil bank that was proposed by the original authors of the bill. That will still be in effect in 1958 if this amendment is adopted.

The other item, authorizing the soil bank, as I understand, was introduced into the bill by the majority of the Committee on Agriculture.

Now, what does this proposition do? In 1956 they had 547,000 agreements covering 12 million acres and costing \$260 million, or \$20 an acre.

In 1957 there were 16,496 contracts 1,441,622 acres, signed providing for payment of \$13.2 million, or about \$9 an acre.

As of March 29, 1957, for the 1957 acreage reserve program, there were 917,171 agreements covering 21,316,000 plus acres at \$30 an acre. The price is going up. It would seem to me that when we get a program that has such an enormous amount of money per acre involved in the gratuity that is paid to the farmer, we ought to get down to earth a little bit in our approach to it. Frankly, from my own standpoint, I shall feel obliged to support the amendment, because I believe it is the only way by which we can eliminate the enormous waste in connection with this.

We have this situation. If this item should be left out of the bill, if the amendment is carried, and there is any reason why it should be continued, if it can justify itself or be justified, we would have plenty of time to pass other legislation. For my own part I do not believe that that can be done, but I believe that I shall be obliged—I cannot do it any other way and meet my own conscientious desire to do a decent job—to vote for the amendment.

I do not say this in criticism of the Secretary of Agriculture because I believe he has done as good a job as anybody possibly could do with such an involved and complex program and one which is so open to misconstruction.

With that statement, I am going to close.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I am amazed at the lack of understanding of some Members of this House of the operation of the soil-bank program. You would get the inference here this afternoon that the Secretary of Agriculture drives clear around the United States and evaluates every single acre of ground that is placed into the conservation reserve.

The gentleman from Virginia awhile ago gave an illustration of a friend who put a few acres into the soil bank in 1 year and got more than the land was worth, or if he had farmed it, more than the total amount he would have got from farming it. The gentleman from Louisiana [Mr. LONG] made a similar remark. Mr. Chairman, let me say this. The administration of the soil-bank program is on the local level. The township committee is elected by the farmers in that township. The chairmen of the township committees elect the county committees. They work through their State ASC committees. If there has been a misappropriation of funds, if it has been badly administered on the local level, then you have an indictment against your own local committees, not against the Department of Agriculture.

There were a few general provisions in the soil bank bill when it was passed. The Secretary, in turn, as he was directed, wrote further implementing provisions. From there it goes down to your own State and local levels. So if it has not been administered the way you think it should, go back and tell your own township and county committees that they have been derelict in their duty. Do not come up here and try to place the blame on the Department of Agriculture.

There was some inference made as to the amount of money that has gone to Kansas. Had it not been for that I do not think I would have taken the floor; but I am very glad that that inference was made because I have a little story that I have been waiting for an excuse to tell. That is how the Southern States—and Louisiana is one of the greatest offenders—have been stealing wheat-allotted acres from Kansas.

As you know, the Agricultural Act as amended in 1949 provided that any State raising less than 25,000 acres of wheat

would be a noncommercial wheat State. That would mean that they would have no acreage allotment and there would be no marketing penalty for any wheat that they raised. So what has happened? They have had to take their land out of cotton and out of tobacco and they have put it into wheat without limitation. They have sold it on the open market at nearly the support price, or just a few cents under. Then when they get up to the 25,000-acre limit they have established a history that must be taken away from the wheat States and given to that State.

Louisiana had only 2,000 acres in wheat in 1952 and in 1956 it had 60,000 acres in wheat. Alabama is the worst offender. It had only 15,000 acres of wheat in 1952 and had 100,000 acres of wheat in 1956. They will be commercial wheat States. They will have market penalties, they will have acreage allotments, but those allotments will have to be subtracted from the 55 million acres of the national allotment and a substantial portion of that will come from Kansas. So let us not keep bringing Kansas up here as a preferred customer in the soil-bank program. We have operated under the provisions of the law and to my knowledge the value of the production on the acres we have placed into the soil bank has been honestly appraised by our local committees. From things that have been said here this afternoon, apparently that has not been the case in a good many other States.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Chairman, I am for this amendment to limit the soil-bank program because it has turned out to be a hoax and fraud as far as helping the family-sized farmer is concerned. Under the soil bank as presently administered the drug-store farmers and city speculators are buying up farmland, setting out pine trees on it and will pay for this land in a few years with the soil-bank money from the taxpayers. When the pine trees grow a few years and the Government completely pays for the land, then this land will be worth 2 or 3 times more than it is worth today. This is not helping the little farmer as he can't borrow the money to buy this land. I know of cases where big manufacturing corporations who happen to have farmland on the side are putting land in the soil bank and getting the biggest cut out of the pie. This is not alleviating the distressed small farmer with no other source of income. I thought the purpose of the soil bank was to bolster the depression income of the average farmer, help him remain on the land and enable him to earn for his family a decent living. Only bona fide farmers should benefit from this program—not the city slickers and Wall Street money-changers.

In one South Carolina county 58 percent of the cotton acreage was this year placed in the soil bank. This can wreck much of the economy of that area. What is going to happen to the cotton



ginners who has invested thousands of dollars in machinery? What is going to happen to the country and small-town retail stores? What will happen to the little fertilizer, insecticide, and farm-implement dealers? What will happen to the local bankers and small business? What will happen to the rural churches, post offices, and cross-road schools? This kind of program will help turn farming over to the vast corporate farming interest similar to the Russian collective farm with people only peasants and pawns to be controlled and dominated by the unseen hand of a distant financial empire. This soil bank is helping us to lose what little foreign markets we have left for our farm products. By growing less, other nations will grow more and more. We cannot save the farmer by paying him a cheap price to stay out of the business. Our little family-sized farmer doing his own work needs more acres, not less. He needs more foreign markets, not Government-encouraged foreign competition. As a farmer I can tell you, Mr. Chairman, that this soil bank will not save the family-sized farmer—a great and indispensable American institution. We need a realistic farm program based on saving the family-sized American farmer. I hope this Congress will investigate the entire farm program and advance constructive, long-range farm legislation.

(Mr. DORN of South Carolina asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, had I been a Member of this body when the soil-bank bill was enacted, I would have voted against it.

As I view this measure, it was conceived as an appeasement to the beneficiaries of the price-support program that favored the commercial producers of basic farm crops.

The farmers of my State have been entirely eliminated from receiving farm support, since areas of farmland were too small to interest them in acreage allotments.

Under provisions of the soil-bank legislation, they are automatically disqualified for acreage soil-bank benefits. They are, however, privileged to participate in the conservation reserve provisions of the bill, and you may believe me when I say they have an abundance of qualifying acreage.

Since the passage of this act was too late to permit its operation on a full-scale basis, I am inclined to favor the proposed \$500-million appropriation in the hope that it will succeed in reducing farm surpluses and, incidentally, give my State's farmers this one belated opportunity to share in a small way in a war-born high-price-support program our people have been forced to contribute to without any chance to benefit therefrom.

(Mr. NEAL asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

(Mr. GATHINGS asked and was given permission to revise and extend his remarks.)

Mr. GATHINGS. Mr. Chairman, I was a member of the first conference that wrote the bill H. R. 12 and put it on the President's desk. We worked for many days on this soil-bank-acreage reserve and also the conservation reserve.

Just a few days ago I introduced a bill to repeal the acreage-reserve provision of the soil bank. I did that because I was of the opinion that the effect of the soil bank had been to liquidate our farmers. They are moving away from the farm in great droves. There is a reason for that. This acreage-reserve program works this way. It works only on the basic crops, which are corn, wheat, rice, cotton, tobacco, and peanuts. You go into the bank by taking out of production a part of your acreage allotment. You are paid about 50 percent of the support price based on your average yield over a period of time on that particular land. As a matter of fact, you are reducing the income of the farmer on the acreage that does go into the bank by at least 50 percent.

What effect would that have on the community? Let us look at that community just for a moment. Every store on Main Street feels the effect of that 50-percent decline in income that is suffered by those farmers whose acreage has been reduced. The purpose of the act is to cut down on production, but it has not done that.

I commend the gentleman from Mississippi and his committee on going into this matter fully and completely and bringing in the report they have. It took considerable time and effort to obtain the information that went into that report with respect to the way this soil-bank program is working, the acreage reserve particularly.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. It is a pleasure to yield.

Mr. RIVERS. That is the experience I have had in my part of the world. It tends to liquidate the farming communities and every business in that farming community is going out of business or drying up.

Mr. GATHINGS. It is drying up these communities throughout the agricultural region. I agree with the gentleman from South Carolina.

Mr. RIVERS. I congratulate the gentleman on the research that he has done. That has been the experience that I have found in my country.

Mr. GATHINGS. I want to say also that America was not built on any such basis as sitting down on the porch and waiting for your check to come and be handed to you. America was built on w-o-r-k which spells "success."

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Louisiana.

Mr. LONG. I just want to make a short statement with reference to the

statement that my friend, the gentleman from Kansas, said about Louisiana stealing the program and stealing the Kansas money. At least that is the effect of the statement, as I understood it. I do not want Louisianians taking Kansas's money. I might say to the gentleman from Kansas that while Kansas got \$86 million from this program, Louisiana only got \$11 million and may I repeat that Kansas got as much out of this program as 25 other States. I might go on with this kind of a statement but suffice it to say that this program has not worked nor, in my humble opinion, will not work. Let's make a saving of one-half billion dollars by passing this amendment.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield gladly to the gentleman from South Carolina.

Mr. DORN of South Carolina. I want to concur in what my friend, the gentleman from Arkansas, is saying. I congratulate him on the bill he has introduced. Here are some figures that came to me today concerning one county in my district. This county has placed 58 percent of its 7,950 acres of cotton allotment into the soil bank, leaving only 3,206 acres. What is that doing to the fertilizer people and the ginners and the local bankers and the retail merchants? What do you make of that?

Mr. GATHINGS. Every business in that community is suffering. I thank the gentleman from South Carolina for presenting those enlightening facts—I hope that the amendment will prevail.

The CHAIRMAN. The chair recognizes the gentleman from Georgia [Mr. LANHAM].

(Mr. LANHAM asked and was given permission to revise and extend his remarks.)

Mr. LANHAM. Mr. Chairman, as most of you know, I am a pretty partisan sort of fellow. I am a Democrat. As you know, I am a southern Democrat. I usually vote with the Democratic Party. As a matter of fact, General Lee is my favorite rather than General Eisenhower of Gettysburg fame. You know what I mean, I am sure, about that. But frankly, I agree with the gentleman from North Dakota [Mr. BURDICK] who, on yesterday, said we ought to forget party in this matter, we ought to forget whether we are Republicans or Democrats and we ought to think about the farmer and his welfare. I agree with him. I want to tell you that the farmers in my district are in favor of this program. It is having some of the effect which the gentleman from Arkansas [Mr. GATHINGS] has spoken about, and that is that the fertilizer dealers and the ginners, because our crop is largely cotton with some wheat, are feeling the effects and it may not be that in the long run we ought to continue this soil-bank program. I think it has been badly administered. I do not know whether it could have been better administered or not by another man than the present Secretary of Agriculture. I do think he has favored certain sections at the expense of others, and has used it for



partisan political purposes. But criticism of Mr. Benson is not the problem before us today. I think the question is—what is best for the farmers? Until we can decide upon some program that will work I think the acreage reserve program should be continued. The farmers are at the crossroads and the small farmer is on the way out in America, if we do not find some better program than either the Democrats or the Republicans in the past have sponsored. Everyone admits that most of them have failed. The farmers' income has steadily declined while his costs have just as steadily increased. If we are to save the farmers, the members of our great Committee on Agriculture must quit squabbling among themselves and get back together and bring in a program that will do something to increase the farmers' net income. Personally I believe that the domestic allotment or two-price system may be the answer. At least some new approach must be made to the problem.

Moreover, I do not think this soil bank should be repealed in this way. I think, if it is to be repealed, careful consideration should be given to it by the legislative Committee on Agriculture, and we ought not to undertake in an appropriation bill to repeal it. Of course, we do not repeal it, but we strangle it to death or we smother it to death, and I do not think that is a sound way to legislate.

As I have said, the soil bank is effective certainly in my district, if we entered into it with the idea of controlling production. As you know, we have many postal employees in the city today. One of the rural carriers told me this morning that they had just about quit farming in our district. He said, "I do not believe I have seen three farmers plowing this spring." So it has been effective in taking acreage out of production, but as the gentleman from Arkansas [Mr. GATHINGS] has stated, it is dangerous to our economy. If the Committee on Agriculture brings in a bill to repeal it, coupled with some other bill that will give relief to the farmer and protect him from the squeeze between rising production costs and declining prices, I will then vote to repeal it. But I do not think we ought to try to repeal it in this manner. Let us bring in a bill that will really help the farmer. But until that time comes, let us not deprive him of this little bit of help.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LANHAM] has expired.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

(Mr. WHITTEN asked and was granted permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I find myself in perhaps the most peculiar situation of all my experience in the House. May I say further that I do not believe I have ever taken the well of the House but what, when I got through, you might disagree with me, but you would never ask "Which side are you on?" I am afraid when I make this talk you may be within your rights if you ask that question.

The acreage reserve program was first recommended to the Congress last year. I was one of the few who took the floor and said it would never work; that to pay the farmer not to farm would ruin his standing with other Americans; that it might put a little money in his pocket and he might use it and grow more on the remaining acres, and that in my judgment it solved nothing. I did not quit there. I went to the subcommittee on appropriations and went before the full committee, and there requested and we appropriated money under the existing soil conservation laws which would have benefited this country and brought about some soil conservation in a cooperative venture with American farmers. The whole committee backed our subcommittee in that effort 36 to 11. That bill then went to the Rules Committee but was not brought out by that committee; then later the soil bank was passed.

As you can see in the committee report, after we came back in January, as chairman of this subcommittee I requested an investigation of the soil bank and the acreage reserve provisions. Let me say again, here is what is involved: This is a payment to farmers to leave land out of cultivation. Just a few moments ago you saw this House write a limitation of \$2,500, which is the limit on how much the Government will provide toward the cause of conservation, but in this bill there is no limit on the payment not to farm. For instance, our investigation shows that in the State of Connecticut one farm received \$40,000 not to farm his land; another \$29,000; another \$11,000, and another \$10,000. The same situation exists in other States.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I prefer to finish my statement, if you please.

Mr. MARTIN. I would like to correct the gentleman on a previous statement.

Mr. WHITTEN. Let me finish my remarks and I am sure the gentleman could correct me, and if I had time I might straighten him out in a few places, but we would be friends in the end.

There is nothing to keep this money received by the farmer from being used to increase production on the remaining acres. The chief tragedy of this approach is that the farmer loses his production on his acres; but to the public it looks like he is getting something for nothing. If this program is continued, the farmer will lose much more in public good will which will be reflected in votes of Members of Congress against sound farm legislation. After all 87 percent of the population are nonfarmers and even in Congress we must have their support.

Let me read to you a statement from a paper not published in my district, the Houston Times, which says this:

As long as the Government is paying farmers for the acres they do not plant it should also pay newspapers for the ads they do not run.

And the Jackson Daily News says:

Now it would be nice to pay our railroads, airlines, and buslines for passengers they do

not carry. Let us go ahead and pay everybody for doing nothing but do it graciously. It should be done in an honest and impartial way.

You can read my views in the report. I wrote this report and my committee subscribed to it presumably. Presumably we did not at that time speak for the program simply because we felt on our subcommittee—and let me say that I am not changing horses—but we felt that to change this basic law was beyond what we as a subcommittee on appropriations should do, and that is the only reason that I did not recommend to our subcommittee that we do it. That is the only reason, and the report makes it clear.

There is a distinction between the two reserve programs. The conservation reserve is a many-year-contract program. The acreage reserve is an annual program, and there have been no commitments beyond 1957, there have been no contracts signed beyond 1957. It is on a one-year-at-a-time base.

May I say again the report shows the only sound base for a acreage reserve program is to put some money in the hands of the farmer to make up what he has lost in income.

If this acreage reserve program put twice as much money in the hands of the farmer it could not pay for the loss of public and congressional support of sound legislation to meet his problem.

As to my position, I say that we on the committee felt it was not our place to make this basic change in the law. In order to get agreement to slow it down, we agreed to the committee position to which I am committed. Other than that I have been against this program for the reasons that have been mentioned to your.

The CHAIRMAN. All time on the amendment has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. HARRISON].

The question was taken, and the Chair announced that the ayes appeared to have it.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. HARRISON of Virginia and Mr. WHITTEN.

The committee divided, and the tellers reported that there were—ayes 134, noes 120.

So the amendment was agreed to.

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REUSS: On page 21, line 4, change the period to a comma and add the following: "or in total compensation being paid to any one producer in excess of \$5,000 with respect to the 1958 crops."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

(Mr. REUSS asked and was given permission to revise and extend his remarks.)

Mr. REUSS. Mr. Chairman, the amendment I offered would limit to \$5,000 the amount that any one farmer



can receive in 1958 from the soil bank acreage reserve. In the light of the amendment just passed, my amendment, of course, would be academic unless the House on a rollcall vote should reject the amendment just put into the bill by teller vote. However, it seems to me necessary to perfect and prepare this bill for that eventuality.

The \$5,000 limitation seems to me clearly necessary because in practice much of the benefit of the soil bank which is paid for out of taxpayers' dollars is going not to the family-sized farmer.

Mr. H. CARL ANDERSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. The gentleman's amendment, as just reported, affects a section of the bill already stricken by the amendment just agreed to, and furthermore I see no reason for any further discussion upon this particular amendment.

The CHAIRMAN. The gentleman from Mississippi reserved a point of order at the time the amendment was offered.

Mr. H. CARL ANDERSEN. I understand, but on the other hand, in the first place the amendment should not have been offered to start with. I make the point of order against it, Mr. Chairman.

The CHAIRMAN. Upon what grounds does the gentleman make his point of order?

Mr. H. CARL ANDERSEN. That the language to which this amendment applies has already been stricken out and, further, that it is legislation upon an appropriation bill.

The CHAIRMAN. The Chair calls the attention of the gentleman to the fact that the amendment offered by the gentleman from Virginia, which was adopted, struck out only a portion of the proviso to this section. But, there is language remaining to which the gentleman has offered an amendment, and stated it would be at the end of that paragraph. It is also a limitation on the use of the appropriation. The point of order made by the gentleman from Minnesota is overruled.

Mr. REUSS. Mr. Chairman, as I was saying, the soil bank, as it has worked out in practice, has meant that a large part of its benefits go not to the family-sized farm but to the large combination or corporation farm. As the figures of the Department of Agriculture show, here are some of the current payments made under the soil bank:

|  |             |
|--|-------------|
| McCarthy & Hildebrand (California).....  | \$29,723.53 |
| J. W. B. Farms, Inc. (Colorado).....     | 45,817.77   |
| Garvey Farms (Colorado and Kansas).....  | 61,354.50   |
| Kupchunoe Bros., Inc. (Connecticut)..... | 29,829.51   |
| J. E. Shepard (Connecticut).....         | 40,162.55   |
| Adams Bros. & Co. (Iowa).....            | 49,248.00   |
| Duward Harper (Texas).....               | 30,737.22   |
| George C. Chance (Texas).....            | 48,093.00   |
| Tom Moore (Texas).....                   | 40,793.40   |

As the report of the Committee on Appropriations at page 26 well states:

The principal justification for the acreage-reserve program is to restore to the farmer some of the income he has lost through reduced prices and acreage.

Now, this \$5,000 limitation to any one farm producer means that Government help will go where it is needed, not where it is not needed. Aid to the large-scale combination producer simply increases the tendency away from the family-sized farm, a tendency which has already gone much too far. If everyone who believes in economy in Government and wants also to strike a blow for the family-sized farmer will vote for this amendment, I am sure we can produce a much better farm appropriation bill.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(The Clerk again reported the amendment.)

Mr. WHITTEN. Mr. Chairman, the committee having stricken out or prohibited the use of any money for any 1958 program, now to provide that money shall be limited to \$5,000 per participant where no money can be used for the 1958 program is the question. It is in order, Mr. Chairman, I should like to renew my point of order that to put a limitation on the amount to be given to a participant, when the committee has just adopted an amendment prohibiting the use of any money, strikes me as being surplusage and subject to a point of order.

Mr. REUSS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from Wisconsin on the point of order.

Mr. REUSS. Addressing myself to the point raised by the gentleman from Mississippi [Mr. WHITTEN]—

Mr. WHITTEN. Mr. Chairman, would the gentleman from Wisconsin yield to me for the purpose of completing my statement to the Chair?

Mr. REUSS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I should like to address myself to the Chair as to whether this language would not in actuality refer back to the amount of \$600 million, the first sum in the bill, where the Department has already entered into its contracts? I mentioned it earlier so that it might have the attention of the speaker as well as the Chair.

Mr. REUSS. Mr. Chairman, the proposed amendment clearly would not refer back to that language, because it is tied exclusively to page 21, line 4.

The reason for my amendment is simply this. It is possible that this House on a rollcall vote will reject the amendment which it has just adopted on a teller vote. Against that eventuality I would like this House to have the opportunity to vote on an amendment which seems to me essential, namely: If we keep the acreage reserve in the Appropriation Act at all, let us at least limit it to those needy family-sized farmers who would get some good out of it and

not give the benefit of it to those who do not need it.

The CHAIRMAN. The Chair is ready to rule on the point of order.

First, the Chair wants to call attention to the fact that the amendment offered by the gentleman from Virginia [Mr. HARRISON] did not strike out all of the proviso. It struck out only that portion of the proviso on page 21, line 2, beginning after the word "program" to and including "\$500,000,000" in line 3. So that the proviso now reads:

*Provided*, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program with respect to the 1958 crops.

The amendment offered by the gentleman from Wisconsin [Mr. REUSS] strikes out the period, inserts a comma, and adds the language "or in total compensation being paid to any one producer in excess of \$5,000 with respect to the 1958 crops."

While it may be because of the amendment offered by the gentleman from Virginia having been adopted that the amendment offered by the gentleman from Wisconsin would be ineffective, still the Chair believes, it being a limitation upon the purpose for which the funds are appropriated, that it is in order and that the point of order should be overruled.

Mr. WHITTEN. Mr. Chairman, do I understand then that it is the judgment of the Chair that it would not apply back to the \$600 million?

The CHAIRMAN. The Chair is not going to pass on the construction of the language whether this amendment is adopted or not.

The point of order is overruled.

Mr. ABBITT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ABBITT to the amendment offered by Mr. Reuss: Strike out "\$5,000" and insert "\$2,500."

Mr. ABBITT. Mr. Chairman, this amendment is very simple. The amendment before the committee limits the contribution or payment to any one participant to \$5,000. My amendment simply reduces that to \$2,500.

You have heard a lot ever here about family-sized farms, that the payment from the soil-bank program is intended to aid and assist the family-sized farmers. It is hard for me to believe that a man who could put as much in the acreage reserve program as to get back payments of more than \$2,500 would be a family-sized farmer. The whole idea behind this amendment to the amendment is simply to prohibit large operators from seeking and securing enormous Government subsidies. It is intended to limit payments so that the only ones who will participate are the family-sized farmers.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. SMITH of Virginia. If I understand the gentleman's amendment correctly, all it does is put the soil-bank limitations as to what one individual may received on a par with the limitation just



recently put on by the House of \$2,500 under soil conservation.

Mr. ABBITT. That is exactly what it does.

Mr. SMITH of Virginia. It reconciles this program to that program.

Mr. ABBITT. It makes this program in line exactly to the dollar with the soil-conservation program we adopted about an hour ago.

I will not detain the committee because it is very simple. The question is whether or not we want to limit the programs to farmers, whether we want to reserve it for the family-sized farmers whom we profess so much that we want to help. I hope my amendment limiting the amount of payments to \$2,500 for 1958 crops will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ABBITT] to the amendment offered by the gentleman from Wisconsin [Mr. REUSS].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. REUSS], as amended.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. FOUNTAIN. Mr. Chairman, the soil-bank program passed by the 84th Congress as a temporary stopgap measure has turned out to be one of the most controversial matters the Congress has enacted into law since I came here in 1953. Even farmers who are taking advantage of it in a substantial way are raising serious questions about it. They say the program is moving in the wrong direction and that it will not reduce production materially, despite the expenditure of hundreds of millions of dollars. That was certainly true in 1956 when despite the sign-up of some 12 million acres at an estimated cost of \$260 million under the 1956 acreage-reserve program, production for most crops was higher than in prior years.

The soil-bank program has been severely criticized in many other quarters. Much of this criticism, in my humble opinion, has been justified. The administration of the program has been uncertain and indefinite. Confusion and indecision have frequently prevailed in the minds of those administering the program from top to bottom. It is possible that the program has not yet had a fair test. The distinguished gentleman from Mississippi [Mr. WHITTEN] however has raised some very serious questions about the program and the actual results. I am not sure the taxpayers can afford a complete test in view of the facts revealed by the full field investigation made by the Whitten subcommittee, and in view of good plain common horse-sense.

I do feel sincerely that the Secretary of Agriculture has not helped in the cause of giving it a fair test. Last fall he appears to have shown more concern for the welfare of his political party than he did for the success of the soil-bank program and the welfare of farmers of America. Such concern, in action which I am about to describe, will make it very

difficult for the soil-bank program to get a fair and honest test or trial experience before it is repealed.

The acreage reserve portion of the soil-bank program was designed, I thought and I certainly hope, to reduce production of surplus commodities by compensating producers for cutting down their planted acreage, thus restoring some of the income they have lost through reduced prices and acreage. Of course, the idea has never made sense to the 87 or 88 percent of nonfarmer taxpayers who feel that it gives the farmers something for nothing. The law would seem to provide adequate safeguards if it were properly administered, for it provides that in order to be eligible for compensation a producer must, first, reduce acreage of the designated commodity below his farm acreage allotment or base acreage; second, specifically designate the acreage so withdrawn from production; and third, not harvest any crop from or graze such acreage unless given permission to do so because of a drought emergency. The act also provided that acreage already planted to a crop could be placed in the acreage reserve in 1956 if the crop were plowed under or cut by a date fixed by the Secretary of Agriculture. Under the law, a producer who knowingly and willfully grazes or harvests a crop from any acreage in violation of an acreage reserve contract is subject to a penalty equal to 50 percent of the compensation which would have been payable for compliance with the contract. The purpose of the penalty provision, of course, was to insure that the soil-bank program would be used to reduce production, rather than as a form of free crop insurance.

As I have already pointed out, the Department of Agriculture paid out approximately \$260 million under the 1956 acreage reserve program. Get this—nearly \$180 million was paid to corn producers; of this amount, \$110 million went to three States—Iowa, Nebraska, and Illinois. Despite the amounts paid to corn producers, corn production in 1956 increased instead of decreasing. In view of the mishandling of the soil-bank program by the Department, this increase is hardly surprising.

The deadline for plowing under or cutting crops growing on land which had been designated as a part of the Acreage Reserve was originally announced as June 30. On June 29 the deadline was extended until July 15. An additional extension was then made until August 3. On August 22 the Agriculture Department announced that a determination had been made that "a relatively small number of farmers did not understand the civil penalty provisions of the Acreage Reserve program." The Department stated that State ASC committees had been instructed to allow the relatively small number of farmers who did not understand the penalty provisions until August 31 to comply with their agreements by plowing under or cutting growing crops. The instructions to State committees specifically warned of the 50 percent penalty for harvesting of crops and stated flatly that producers

will not be allowed to terminate their agreements.

According to press reports, large numbers of midwestern corn producers signed up to plow under growing crops at a time when weather conditions indicated the probability of poor yields. When crop conditions improved, many farmers apparently decided to harvest their corn rather than comply with their agreements. Secretary Benson thus faced the prospect of having to collect penalties from large numbers of farmers just prior to the 1956 election.

Political expediency quickly won out over consistency. Disregarding the August 22 announcement, Secretary Benson abruptly reversed his field. On September 6 he alleged in a letter to the Controller General that there had been a general misunderstanding of the penalty provisions. On September 21 the Department changed its previous position and announced that producers would be allowed to revise and terminate their agreements without penalty. According to a September 24 story in the Wall Street Journal, several officials of the Department questioned the legality of cancelling the contracts. An unnamed official is quoted as saying:

Several of us thought that a contract was a contract. Quite a few of us took a dim view of the proposal, and didn't see how it could be done.

Mr. Chairman, the decision of the Secretary of Agriculture to cancel the soil bank contracts cost the taxpayers thousands—perhaps millions—of dollars. When his Department was asked to furnish the evidence on which this questionable decision was based, it was unable to produce a single scrap of paper. On the contrary, the Department admitted that "such decisions were based upon oral information and reports obtained in the course of field trips by officials of the Department and upon telephone conversations and oral reports by field personnel, and not upon written reports, memorandums, or correspondence."

Mr. Chairman, the farm families of this country, through no fault of their own, are confronted with difficult and trying circumstances. In my section of the country there is a depression among small farmers—that is, those who are left on the farms. The others are looking for jobs elsewhere. I am concerned, as I know each one of you is concerned, with their plight. Coming from an agricultural section composed of some of the better farms and farmers in America, and I might add, many of the finest people of America, I, for one, will continue to support measures honestly and sincerely designed to assist them, regardless of who proposes them. However, the Secretary of Agriculture's reckless political manipulation, which I have just described, of the soil bank program serves only to favor those who failed to comply at the expense of those who did comply with the soil bank provisions. It was bad administration. It was not good government. It was a serious violation of a public trust. I might add—I have sufficient confidence in the intelligence and fairness of the American



farmer to predict also that it was not good politics.

The soil-bank program may or may not be the answer or even a partial answer to the farm problem. I am very much afraid we are headed in the wrong direction. We have had too many patched up, and I am afraid quickly hatched up, laws. Except for price-support levels, much of our trouble, as the gentleman from Mississippi [Mr. WHITTEN] pointed out comes from 1933 laws which largely control our present farm programs.

Conditions on the average American farm are far from good. I am convinced that reduced acreage, reduced prices, and rising costs both to the farmer and consumer, will ultimately bring disaster to agriculture. The last 4 years—under such administration as I have just described in connection with cancellation of soil-bank contracts—based upon the Agriculture Department's own records, show conclusively that we cannot reduce acreage by reducing prices.

I sincerely feel that it is time for the Congress to pass some constructive legislation truly helpful to the farmer. We have a tendency, I fear, to wait too much and too long for the President or his Secretary of Agriculture to make suggestions and submit proposals.

I believe an entirely new legislative approach must be made and developed if the American farm and farmer as we have so long known them, are to survive in our highly competitive economy. If the farmer, especially the small farmer—the family-size farmer is to share in the general prosperity of the rest of the Nation, something must be done and it must be done quickly. I am satisfied now that the answer will not be found by continually taking away his means of livelihood. For the American farmer, my friends, it is much, much later than we think.

Let us put our shoulders to the wheel, face up to the task before us and write a legislative program that will not be called a handout program—a program that will do justice to the American farmer, the American consumer, and the American taxpayer. I for one am a little tired of waiting for the other fellow to do it. I for one am ready to join hands under the agricultural leadership of this House and perform such task or tasks as may be assigned to me as my part in the gigantic job that must be done to save the small American farmer from extinction.

Mr. VORYS. Mr. Chairman, in this legislation we are wrestling with the problem created by agricultural surpluses, much of which must be exported.

I want to point out that our country, from the earliest days has had agricultural surpluses to export and has been largely developed through selling agricultural surpluses abroad. When John Smith's colony raised more tobacco than they needed, and therefore exported tobacco for profit, Virginia was in business. The story has been the same for 300 years. Our railroads were paid for by exporting agricultural surpluses to pay off foreign loans. American agriculture has been, is now, and will long continue

to be on an export basis, about 1 acre in 10 devoted solely to export.

Our problem now is that we cannot carry on that export through private channels at world prices at a profit. We must solve that problem.

Meanwhile, our agricultural exports have helped mightily to finance so-called foreign aid. About 30 percent of our mutual security, ECA, and other such programs have been in the form of agricultural exports.

In the hearings on this bill—volume 6, page 247—there is a breakdown of agricultural exports during the past 11 years. Here are the totals:

|                                     | Billion  |
|-------------------------------------|----------|
| Total agricultural exports.....     | \$36.644 |
| Private nongovernmental programs..  | 20.640   |
| Governmental programs (of which     |          |
| \$11.862 billion was in grants)---- | 16.004   |

Thus, foreign aid has been the biggest agricultural support program. It is ominous that we must use Government programs to move 40 percent of our farm produce abroad. We must find a better way to do it. Meanwhile, these exports continue to contribute to our security, to the development and maintenance of military, economic, and political strength and stability in the free world in the cold war with communism.

Mr. McINTOSH. Mr. Chairman, in the Department of Agriculture budget recommendations to the Congress, there was included an item of \$52,000 for dried bean utilization research. It is a disappointment to note that the Appropriations Committee, in reporting the Agriculture appropriation bill to the House, has reduced this item.

The special Commission established by the Congress on Increased Industrial Use of Agricultural Products, in its recent interim report, urges strongly that utilization research is the only real solution to the farm-surplus problem. Surpluses, the Commission states, will continue to mount, despite increased exports and population growth.

Price supports on dried beans have been costly to the producers, processors, the Government, and the taxpayers. It is believed that real savings to all concerned will be achieved through a sound program of utilization research. The dried-bean industry has raised \$130,000 in funds for this purpose, but additional Government help is urgently needed.

On the other hand, production research continues to improve the efficiency of farm production. To illustrate, the Department of Agriculture recently announced two new dried bean varieties, one adaptable in my State of Michigan, and the other in the Western States. Both varieties will materially increase yields of these types of dried beans. These varieties will be completely in use in 1959. Utilization research is urgently needed to catch up with the developments in production research.

It is encouraging to note that the Appropriations Committee, even though denying additional funds for dried bean research, recognized the need for utilization research and directed the Secretary of the Department to make every effort to undertake such work within the funds provided.

In view of the concurrence of all concerned, the Department of Agriculture, the Congress, and the dried bean industry, as to the need for a sound utilization research program, and the initiative shown by the industry, it is my hope that the Government will continue the fullest possible cooperation.

#### FIFTIETH ANNIVERSARY OF 4-H CLUBS

Mr. SMITH of Mississippi. Mr. Chairman, while we are considering the appropriations for the Department of Agriculture, which include funds for Federal contribution to 4-H Club work within the Extension Service, it is appropriate to call attention to the 50th anniversary of the 4-H program.

We in Mississippi are especially proud of the outstanding work being done by the 4-H Clubs of this country, for it was here in Mississippi that the Federal Government first took a hand in sponsoring and directing club work 50 years ago.

It was the work of the Boys' Corn Club in Holmes County, directed by William Hall Smith, that gained the attention of an assistant to the United States Secretary of Agriculture, and through his aid that it became the first 4-H Club in the United States.

William Hall Smith, then superintendent of schools in Holmes County, called a meeting of volunteer corn growers and their teachers in the county seat of Lexington in February of 1907. It was due to his desire to see a more effective and prosperous school program in a poor section of the country that made him determined to tie schoolwork in with farmwork.

To accomplish this he proposed to hold corn contests among the boys and needlework, breadmaking, and cakebaking contests for the girls. This system, he felt, would not lose its hold on the boy when he reached the age of 14.

The county was in the grip of the initiative-destroying one-crop system of farming that prevailed throughout the South. Cotton being the only crop a farmer could get credit on, it seemed useless to farmers in debt to try to raise anything else. Their family food, which they could have raised in the garden, and the feed for their mules, which could have been raised on the good corn land, were all bought from the store on credit. The farmer was left with very little after he had settled up in the fall. He would go back to raising cotton in order to assure himself more food and feed for the next year.

It was the belief of William Hall Smith that this evil chain could be broken by encouraging higher corn yields through better farming methods. An abundance of corn would make possible the raising of pigs and chickens, and perhaps enable some families to keep a cow.

Smith was to receive the aid of Mississippi State College and the demonstration agents of the Government. Professor Perkins, of Mississippi State College, gave the corn club boys some seed of a tested variety for about half an acre of corn. As the season progressed, the members of the corn club received bulletins from the college and the Department of Agriculture. On land where the farmers had been averaging less than



20 bushels of corn per acre, the members were reported by Smith to have reached as high as 120 bushels per acre.

Dr. Seaman A. Knapp, an assistant to the Secretary of Agriculture and the founder of the Extension Division, became so interested in the accounts of the Boys' Corn Club sent in by County Agent W. B. Lundy, that he made a trip to Lexington and visited the fair where the exhibits were shown. He was so impressed with the exhibits of corn, needlework, and baking shown there in October 1907, that he decided to sponsor it as a permanent part of the extension program.

Dr. Knapp appointed Mr. Smith as an agent for the United States Department of Agriculture at the salary of one dollar per year. The appointment carried with it the franking privilege, which permitted Smith to mail out circulars and instructions postage-free. Thus, Smith became the first man to be named by the Federal Government to do club work with rural boys and girls. Mr. Smith soon became known throughout the State as "Corn Club" Smith.

Dr. Knapp offered to pay out of his own pocket the expenses of the boy who made the best corn production for the year 1909. This trip was won by D. C. Lundy, one of the best known farmers and cattlemen in that area of the State.

A meeting in January 1908, was held in Durant, Holmes County, to lay plans for spreading the clubs to other counties and a circular called Mississippi School Boys' Experiment Club—Suggestions and Plans for Organization and Work.

The people of Mississippi, fully realizing the importance and accomplishments of William Hall Smith, have dedicated a historical marker on United States Highway 51, near Pickens, commemorating his founding of the 4-H Clubs. The dedication and unveiling of the marker was attended by many State and local officials, together with former members of the original Boys' Corn Club of 1907.

The purposes of the club program are, in essence, the same today as expressed by William Hall Smith in the organization of the clubs in 1907 and 1908.

To aid, through practical demonstration work, the State Agricultural College and the Extension Department at Washington in reaching the masses of people with their extension work.

To make farm life more attractive and farming more profitable.

To make the study of agriculture in the public schools more practical and interesting.

To make the rural environment of the child minister to its education.

To enable the people, by making them more prosperous, to take better advantage of the public schools.

To encourage soil study, soil improvement, better cultivation, food selection, etc.

To enforce the idea that farmers need as thorough mental training as professional men.

Mr. SISK. Mr. Chairman, I am voting against an appropriation for operation

of the soil bank next year because I am convinced we must come up with a better program for the American farmer and the American people. I feel that a denial of funds for the acreage-reserve program next year will make imperative a searching inquiry into our agricultural mess and will give powerful stimulus to practical legislation and a better program. I pledge myself to the strongest support of legislation to this end and I believe the Members here must recognize and accept that the votes of a great many of us are intended to open the door to the earliest consideration of legislation which will permit farmers to share fully in the national income.

The soil bank is a demonstrated failure. I voted for it originally with the gravest misgivings and the utmost reluctance, only because there appeared no other prospect of relieving the immediate emergency confronting us. I felt it would not materially help growers, would not substantially reduce surplus production and that it would be harmful to our general economy. Events since last summer have established the truth of my fears.

In my home county of Fresno, Calif., the Fresno County and City Chamber of Commerce within the last month has compiled figures showing that it costs \$107.38 for the farmer to produce a bale of cotton for which he receives an average of \$190.24. It costs an additional \$28.40 to process this bale of cotton. If the farmer puts land into the soil-bank acreage reserve, he receives about \$68 for each bale of cotton he does not raise. This is \$14 less than the profit he would realize if he grew it.

Our entire agricultural economy is geared to exist, not on the farmer's profit, but on his costs of production. Labor, small-business men, banks, utilities, industries of all kinds, share in the money the farmer pays out to grow crops. When he does not grow them, all these related businesses suffer.

Under the soil-bank plan, we are offering a false profit to the farmer and striking a death blow to all the segments of our economy which participate in farm production. In Fresno County, Calif., the soil bank takes \$135.78 out of the channels of trade for every bale of cotton not produced. This is ample, if continued for another year, to throw thousands of small-business men into bankruptcy and hundreds of thousands of workers into unemployment. I do not think we can justify a program which does not help the farmer and hurts everybody else with whom he deals directly or indirectly.

The soil bank ignores all except basic crops and provides an artificial and uneconomic stimulus for conversion of lands into nonbasic crops which are themselves in surplus and without support payments or governmental help. In my district, this is adding more surplus production of grapes, tree fruits, and other specialty crops and adds new peril and hardship to the predicament of the farmers long established in these lines. This is accomplished under regulations of the Secretary of Agriculture which

allow soil-bank payments for land withdrawn from production of cotton but which is also planted to nonbearing vines and trees. These regulations also permit payments on land converted to other crops in the fall of the year, so that during 1958 a great deal of land withdrawn in 1957 from basic crop production will be adding new surplus of other foods and fiber. Thus, while we hand out a meager soil-bank payment to one farmer, we stab another in the back.

What we must have is a program which permits all farmers to take their rightful place in the economy of America—to share fully in the large national income—to have the power to bargain in the market place and demand a proper return for their hard labor. I am convinced we can help bring this about and I think the road to it lies through extension of the marketing-agreement system, probably a voluntary, widespread domestic production quota system, and a vigorous and sincere expansion of our foreign markets. In the very near future we will be confronted by food shortages, not surpluses. We cannot meet this problem by handouts to discourage production and slipshod programs which lower our national income.

Mr. MARSHALL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, and directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. H. CARL ANDERSEN. Mr. Speaker, I demand a separate vote on the so-called Harrison amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 21, strike out all following the word "program" in line 2, and strike all of line 3.

The SPEAKER. The question is on the amendment.

Mr. H. CARL ANDERSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.



The question was taken; and there were—yeas 192, nays 187, not voting 54, as follows:

## [Roll No. 74]

## YEAS—192

|                |                |                 |
|----------------|----------------|-----------------|
| Abbott         | Garmatz        | O'Neill         |
| Abernethy      | Gary           | Passman         |
| Addonizio      | Gathings       | Patman          |
| Alexander      | Gordon         | Pelly           |
| Alger          | Granahan       | Pfost           |
| Andrews        | Green, Pa.     | Philbin         |
| Anfuso         | Griffiths      | Pilcher         |
| Ashmore        | Haley          | Pillion         |
| Ayres          | Hardy          | Poage           |
| Bailey         | Harrison, Va.  | Poff            |
| Becker         | Healey         | Porter          |
| Backworth      | Hemphill       | Powell          |
| Bennett, Fla.  | Herlong        | Preston         |
| Bennett, Mich. | Hess           | Rabaut          |
| Blitch         | Hiestand       | Radwan          |
| Boland         | Holifield      | Riley           |
| Bolling        | Holland        | Rivers          |
| Bonner         | Huddleston     | Robeson, Va.    |
| Bosch          | Hull           | Rogers, Colo.   |
| Boyle          | Ikard          | Rogers, Fla.    |
| Brooks, La.    | Jackson        | Rogers, Tex.    |
| Brooks, Tex.   | Jennings       | Rooney          |
| Brown, Ga.     | Jonas          | Roosevelt       |
| Brown, Mo.     | Jones, Mo.     | Rutherford      |
| Brownson       | Karsten        | Santangelo      |
| Broyhill       | Keating        | Saund           |
| Budge          | Kee            | Schenck         |
| Burleson       | Kilday         | Scott, N. C.    |
| Byrne, Pa.     | Kilgore        | Shelley         |
| Cannon         | King           | Sheppard        |
| Celler         | Kirwan         | Shuford         |
| Chelf          | Kitchin        | Sieminski       |
| Chudoff        | Kluczyński     | Sisk            |
| Clark          | Knutson        | Smith, Calif.   |
| Cooley         | Landrum        | Smith, Kans.    |
| Corbett        | Lane           | Smith, Miss.    |
| Coudert        | Lankford       | Smith, Va.      |
| Cretella       | Latham         | Spence          |
| Curtis, Mo.    | Lesinski       | Staggers        |
| Davis, Ga.     | Lipscomb       | Sullivan        |
| Delaney        | Long           | Taber           |
| Derounian      | Loser          | Teague, Calif.  |
| Dies           | McCarthy       | Teague, Tex.    |
| Diggs          | McFall         | Thomas          |
| Dingell        | McMillan       | Thompson, La.   |
| Dollinger      | Macdonald      | Thompson, N. J. |
| Donohue        | Machrowicz     | Thompson, Tex.  |
| Dorn, S. C.    | Mack, Wash.    | Thornberry      |
| Dowdy          | Madden         | Tuck            |
| Doyle          | Mahon          | Udall           |
| Durham         | Marshall       | Utt             |
| Farbstein      | Matthews       | Vanik           |
| Fascell        | Metcalfe       | Vinson          |
| Feighan        | Miller, Calif. | Walter          |
| Fino           | Minshall       | Watts           |
| Fisher         | Morano         | Wharton         |
| Flood          | Moss           | Whitener        |
| Flynt          | Moulder        | Wier            |
| Forand         | Multer         | Williams, Miss. |
| Forrester      | Mumma          | Willis          |
| Fountain       | O'Brien, Ill.  | Winstead        |
| Frazier        | O'Brien, N. Y. | Wright          |
| Friedel        | O'Hara, Ill.   | Yates           |
| Fulton         | O'Konski       | Young           |

## NAYS—187

|              |               |                 |
|--------------|---------------|-----------------|
| Albert       | Cederberg     | Evins           |
| Allen, Ill.  | Chamberlain   | Fenton          |
| Andersen,    | Chenoweth     | Ford            |
| H. Carl      | Chiperfield   | Frelinghuysen   |
| Andresen,    | Christopher   | Gavin           |
| August H.    | Church        | George          |
| Arends       | Clevenger     | Grant           |
| Aspinall     | Coad          | Gray            |
| Auchincloss  | Coffin        | Gregory         |
| Avery        | Collier       | Gubser          |
| Baker        | Cooper        | Hagen           |
| Baldwin      | Cramer        | Hale            |
| Bass, N. H.  | Cunningham,   | Halleck         |
| Bass, Tenn.  | Iowa          | Harden          |
| Bates        | Cunningham,   | Harris          |
| Baumhart     | Nebr.         | Harrison, Nebr. |
| Belcher      | Curtin        | Harvey          |
| Bentley      | Curtis, Mass. | Haskell         |
| Berry        | Dague         | Hays, Ark.      |
| Betts        | Davis, Tenn.  | Heseltun        |
| Bow          | Dawson, Utah  | Hill            |
| Bray         | Dellay        | Hillings        |
| Breeding     | Dempsey       | Hoffman         |
| Broomfield   | Dennison      | Holmes          |
| Brown, Ohio  | Denton        | Horan           |
| Burdick      | Devereux      | Hosmer          |
| Bush         | Dixon         | Hyde            |
| Byrne, Ill.  | Dooley        | Jarman          |
| Byrnes, Wis. | Dorn, N. Y.   | Jenkins         |
| Canfield     | Dwyer         | Jensen          |
| Carnahan     | Edmondson     | Johansen        |
| Carriage     | Elliott       | Johnson         |

|               |               |                 |
|---------------|---------------|-----------------|
| Jones, Ala.   | Morris        | Scrivner        |
| Judd          | Natcher       | Scudder         |
| Kean          | Neal          | Seely-Brown     |
| Kearns        | Nicholson     | Selden          |
| Keeney        | Nimtz         | Sheehan         |
| Kilburn       | Norblad       | Siler           |
| Knox          | Norrell       | Simpson, Ill.   |
| Krueger       | O'Hara, Minn. | Simpson, Pa.    |
| Laird         | Osmer         | Smith, Wis.     |
| Lanham        | Ostertag      | Springer        |
| LeCompte      | Patterson     | Steed           |
| Lennon        | Perkins       | Talle           |
| McConnell     | Polk          | Tewes           |
| McCulloch     | Price         | Thomson, Wyo.   |
| McDonough     | Prouty        | Tollefson       |
| McGovern      | Rains         | Trimble         |
| McGregor      | Ray           | Van Pelt        |
| McIntire      | Reece, Tenn.  | Van Zandt       |
| McIntosh      | Reed          | Vorys           |
| McVey         | Rees, Kans.   | Vursell         |
| Mack, Ill.    | Reuss         | Wainwright      |
| Mailliard     | Rhodes, Ariz. | Weaver          |
| Martin        | Rhodes, Pa.   | Westland        |
| Mason         | Riehman       | Whitten         |
| May           | Roberts       | Widnall         |
| Meador        | Robson, Ky.   | Wigglesworth    |
| Michel        | Rogers, Mass. | Williams, N. Y. |
| Miller, Md.   | Sadlak        | Wilson, Ind.    |
| Miller, Nebr. | St. George    | Withrow         |
| Mills         | Saylor        | Younger         |
| Montoya       | Schwengel     | Zablocki        |
| Morgan        | Scott, Pa.    |                 |

## NOT VOTING—54

|                 |              |                |
|-----------------|--------------|----------------|
| Adair           | Eberhart     | Keogh          |
| Allen, Calif.   | Engle        | McCormack      |
| Anderson, Mont. | Fallon       | Magnuson       |
| Ashley          | Fogarty      | Marrow         |
| Barden          | Green, Oreg. | Miller, N. Y.  |
| Baring          | Griffin      | Moore          |
| Barrett         | Gross        | Morrison       |
| Beamer          | Gwinn        | Murray         |
| Blatnik         | Hays, Ohio   | Rodino         |
| Boggs           | Hébert       | Scherer        |
| Bolton          | Henderson    | Sikes          |
| Bowler          | Hoeven       | Stauffer       |
| Boykin          | Holt         | Taylor         |
| Buckley         | Holtzman     | Teller         |
| Byrd            | James        | Ullman         |
| Cole            | Kearney      | Wilson, Calif. |
| Colmer          | Kelley, Pa.  | Wolverton      |
| Dawson, Ill.    | Kelly, N. Y. | Zelenko        |

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Gwinn against.  
Mr. Keogh for, with Mr. Beamer against.  
Mr. Colmer for, with Mr. James against.  
Mr. Fogarty for, with Mr. Wolverton against.

Mr. Rodino for, with Mr. Cole against.  
Mr. Buckley for, with Mr. Henderson against.

Mr. Kelley of Pennsylvania for, with Mr. Boykin against.

Mrs. Kelly of New York for, with Mr. Holt against.

Mr. McCormack for, with Mr. Wilson of California against.

Mr. Holtzman for, with Mr. Stauffer against.

Mr. Barrett for, with Mr. Kearney against.

Until further notice:

Mr. Hays of Ohio with Mr. Adair.  
Mr. Blatnik with Mr. Allen of California.  
Mr. Boggs with Mr. Berry.  
Mr. Byrd with Mr. Marrow.  
Mr. Fallon with Mrs. Bolton.  
Mr. Morrison with Mr. Miller of New York.  
Mr. Teller with Mr. Scherer.  
Mr. Zelenko with Mr. Gross.

Messrs. JENKINS, JOHANSEN, GAVIN, SCHWENGEL, HOFFMAN, and NICHOLSON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask for a recapitulation of the vote.

The SPEAKER. I do not think any chairman has ever held that a recapitulation is in order when there are as many as 5 votes difference.

ulation is in order when there are as many as 5 votes difference.

Mr. H. CARL ANDERSEN. I bow to the Speaker's decision.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

## CORRECTION OF ROLL CALL

Mrs. ST. GEORGE. Mr. Speaker, on rollcall No. 72 on yesterday I was recorded as being absent. I was present and answered to my name. I ask unanimous consent that the permanent Record and the Journal be corrected accordingly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## GENERAL LEAVE TO EXTEND

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill just passed may have 5 legislative days in which to revise and extend their own remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## SCHOOL BIAS ENDS IN A BORDER CITY

(Mr. ROOSEVELT asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include an article from the New York Times.)

Mr. ROOSEVELT. Mr. Speaker, under the caption "School Bias Ends in a Border City," the New York Times has published a front-page story in its edition of May 15, 1957, which I would most respectfully but urgently request every Member of Congress to read. It tells a story which is so human as well as fair that it cannot help but impress its truth upon all who have the least bit of objectivity.

I would point out particularly and ask that you read with great detail the points which are made concerning, first, integration was made to succeed without violence; second, economies running in excess of 20 percent of school budgets results; third, educational standards have not been lowered because of proper preparation; and fourth, discrimination does not exist in the minds of children and can be eliminated in the minds of adults who have the courage to face realities.

SCHOOL BIAS ENDS IN A BORDER CITY—CHARLESTON, W. VA., ADJUSTING WELL, ALTHOUGH PREJUDICE REMAINS IN HOMES

(By Benjamin Fine)

CHARLESTON, W. VA., May 9.—The mother of a fourth-grade pupil at Mercer elementary



school stormed into the principal's office on the opening day of school last fall.

"What is this I hear about a Negro going to teach my boy?" she demanded.

Mrs. Bessie H. Stewart, the principal, explained that by order of the board of education, integration was now the school policy.

"I can't take it," the woman shouted. "I'm from Mississippi. My husband was born in Tennessee. If my child has a Negro teacher I'll take him out and send him to a private school."

"Please," the principal asked, "try the new teacher. Give her a chance."

A week later, the Mississippi-born woman came to Mrs. Stewart and said, quietly:

"Mrs. Stewart, I was wrong. Jimmie loves his teacher. I guess I'll let him remain at Mercer for the rest of the year."

#### INTEGRATION IN EFFECT

When integration was put into effect in Kanawha County last fall, the school officials and community leaders had their fingers crossed. In the fall of 1955, mixed classes were ordered for the first, second and seventh grades. Last September, the entire school system from kindergarten through high school became integrated.

At first there were grumblings, such as that expressed by the mother from Mississippi. The superintendent, Dr. L. K. Lovenstein, had several anonymous telephone calls, threatening violence. The police were alerted but they were not needed.

Charleston, the State capital, is part of Kanawha County, in the heart of the West Virginia mountains. About 57,000 pupils, 3,000 of them Negroes, are enrolled. Only 129 of the 1,961 teachers are Negro.

Charleston and the entire county had always had a segregated system of education. When the decision to integrate was taken, Dr. Lovenstein and the board members called upon the parent-teachers associations, the citizen groups, and the press to help smooth the way.

"We couldn't have received better cooperation," said Herbert M. Beddow, president of the board of education. "Everyone agreed that integration must be made to succeed without violence."

It has Negro and white children are found in every part of the county. Negro teachers have been assigned to all-white schools, even to communities where Negroes are not permitted to live. Eighteen all-Negro schools been abandoned. Three were merged with white ones. The district lines of eight schools were changed to permit Negroes to attend.

#### SYSTEM SAVES \$250,000

School officials estimate that the immediate saving this year will be \$250,000 out of a budget of \$11 million. The economies will become even greater in the years ahead, they predict.

There is no indication that the educational standards have been lowered. Dr. Lovenstein points to the high standards of Negro instruction—the small pupil-teacher ratio and the corps of adequately trained Negro teachers—as reasons why the Negro children kept pace with the academic achievements of their white classmates while they were in a segregated system.

To some parents, acceptance of Negro teachers in mixed classes came hard. While visiting a friend, Mr. Beddow was taken to task for assigning a Negro teacher to the fourth grade. The father spoke harshly against Negro teachers in general and this one in particular.

His 10-year-old daughter, overhearing the conversation, broke into the room.

"You're talking about my teacher," she said to her father indignantly. "She's the best teacher I've ever had."

"The father hushed up fast," Mr. Beddow said. "He's for integration now."

#### OPERATING SMOOTHLY

As the first full year of an integrated program draws to a close, the pupils and teachers agree that the program has operated smoothly.

"I'd like to have my teacher again next year," Billy, 9, said of his Negro instructor. "I like being here with my white friends," Tom, 10, who was in an all-Negro class a year ago, added happily. "My teacher is real nice."

He doesn't even refer to the fact that she is white—the first white teacher he has ever had.

On the elementary level, almost without exception, Negro children and white ones play and study together. As was found in Wilmington, Del., the youngsters here are colorblind. They make no distinction between races in the classroom or on the play yards.

A fourth-grade teacher, Mrs. Maude Bennett, has 18 white and 10 Negro pupils in her class. She has been a teacher for 32 years, and this is the first time she has taught an integrated class.

"I can't see any difference at all," Mrs. Bennett said. "The colored and white children do just about the same work. In the spelling bees, sometimes a white child will come out ahead, sometimes a Negro."

The class officers were called to order by Mrs. Bennett. They gathered around her desk to decide how best to keep the room clean.

The president, James Randall, who wants to be a pilot, is a Negro, as is the assistant secretary, Jane Clayton, a future teacher. The vice president, Linda Stillwell, and the secretary of the class, Margaret Moses, are white.

#### CHOSEN FOR ABILITY

This situation is common throughout the school system. Negroes are elected to student offices, they are on the athletic teams, they work for the student newspapers and join the dramatic clubs. But, the students are quick to say, the Negro pupils are chosen on the basis of ability, not color.

"We love Jimmy Randall," his classmates said. "He's a good president."

The townspeople have come to accept this school integration. Recently about 100 elementary children marched through the streets to attend a concert in the center of the city. Quite by accident, the informal procession was led by a third grade Negro boy and a third grade white girl. Hand-in-hand they marched down the street at the head of the procession.

"I wondered what the people were staring at," a school official said. "Then suddenly I realized. We are so used to seeing Negro and white children playing together in schools that we just don't notice it anymore. For the citizens, however, it must have been a novelty."

#### MOST TEACHERS WHITE

Because the great majority of teachers and pupils are white, most of the youngsters are taught by white teachers. For the first time, these teachers find Negro children in their classrooms.

Jean Ferguson, a third grade teacher with 35 years' experience, is typical of many. Until this year she had taught all-white classes. Now she has a class of 13 Negroes and 13 whites.

"It was difficult to get used to it at first," she said. "It's made my work more difficult and more challenging."

"But I haven't found any real difference in intelligence between the two races. There are slow and fast readers among both the Negroes and the white children."

The Negro parents come to the P. T. A. meetings, Miss Ferguson said, in the same proportion as the white parents. They cooperate with her whenever special problems arise, she said.

"I don't mind teaching a mixed class now," she added. "I'll probably get another one next fall. I certainly won't ask for an all-white class."

#### TRANSFERS POSSIBLE

Parents who do not want their children to attend mixed classes or who object to Negro teachers may ask for a transfer. However, if the class to which they wish their child transferred has more than 30 pupils, the child will not be admitted. Also, they have to pay transportation costs of \$4 a month on the elementary level, \$12 on the high school.

"We have had mighty few requests for transfers," Dr. Lovenstein said. "Our parents seem to accept things as they are."

#### NEGRO TEACHER ASSIGNED

Sometimes a Negro teacher is placed in an all-white school, Mrs. Stella Meiner at the Chandler School is an example. She has 41 fourth-grade pupils, and they are "crazy" about her, in their own words. "She's a good teacher," the children said.

"My mother says," a long-haired girl of 9 remarked, "that Mrs. Meiner is the nicest teacher she ever met."

Mrs. Meiner always had taught Negro children. Now she teaches only white children. The educational standards are similar, however, she said.

"I don't find any differences at all," she said. "They are all such lovely children."

Dr. Lovenstein explained her appointment: "There was a vacancy at the school and Mrs. Meiner had the necessary qualifications, so we gave her the job."

#### ANOTHER IS APPOINTED

A similar situation exists at the Clendenin Junior High School, 20 miles from Charleston. No Negro had ever taught in this school of 864 children and 27 teachers. Moreover no Negro had ever lived in Clendenin, a mining and farming community.

A Negro teacher, Arned Brown, was brought in last September to teach art and history. He is accepted by the community, students, and teachers. For the first time in Clendenin, seven students have won art prizes in national competitions.

The students sing the praises of Mr. Brown.

"He is the best teacher I've ever had," is the typical comment of the 254 students whom he teaches.

"We have forgotten that he's colored," Debbie Karr, the senior class president, said. "When he first came here, I was prejudiced. I didn't like Negroes. Well, I've certainly changed my mind now. I think they're as good as we are."

#### BIAS BEGINS OUTSIDE

However, integration stops in the classroom or on the athletic field; it is not carried over into the home. When a colored student at the Thomas Jefferson High School came to a party given by one of his classmates, he was asked to leave.

"Please don't take this as a personal affront," the mother of the boy giving the party said. "We just aren't used to having Negroes at our parties. Maybe when integration is further along we'll be able to invite you."

"I got a phone call from a boy in my class," said Mary Bowditch, 14, a high-school freshman. "Mother didn't like it when she learned he was colored. When he called again she wouldn't let me talk to him. But really he only wanted to carry on a pleasant conversation."

At the school dances the Negro and white pupils are not allowed to exchange dances.

"The community is not ready to go that far," said the dean of girls at the Stonewall Jackson High School.

"We'll have to take integration step by step," said Mrs. John C. Norman, a Negro teacher active in community affairs. "You can't hold the dawn back indefinitely."







85TH CONGRESS  
1ST SESSION

# H. R. 7441

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IN THE SENATE OF THE UNITED STATES

MAY 16, 1957

Read twice and referred to the Committee on Appropriations

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## AN ACT

Making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2   *tives of the United States of America in Congress assembled,*  
3   That the following sums are appropriated, out of any money  
4   in the Treasury not otherwise appropriated, for the Depart-  
5   ment of Agriculture and Farm Credit Administration for  
6   the fiscal year ending June 30, 1958, namely:



## DEPARTMENT OF AGRICULTURE

## TITLE I—REGULAR ACTIVITIES

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) : *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$10,000, except for five buildings to be constructed or improved at a cost not to exceed

1 \$20,000 each, and the cost of altering any one building  
2 during the fiscal year shall not exceed \$3,750 or 3 per  
3 centum of the cost of the building, whichever is greater:

4       Research: For research and demonstrations on the  
5 production and utilization of agricultural products, and re-  
6 lated research and services, including administration of pay-  
7 ments to State agricultural experiment stations; \$48,994,-  
8 890: *Provided*, That not to exceed \$25,000 shall be avail-  
9 able for alterations of buildings, without regard to limita-  
10 tions prescribed herein;

11       Plant and animal disease and pest control: For opera-  
12 tions and measures to control and eradicate pests and plant  
13 and animal diseases and for carrying out assigned inspection,  
14 quarantine and regulatory activities, as authorized by law;  
15 \$25,682,000, of which \$1,000,000 shall be apportioned for  
16 use pursuant to section 3679 of the Revised Statutes, as  
17 amended, for the control of outbreaks of insects and plant  
18 diseases under the joint resolution approved May 9, 1938  
19 (7 U. S. C. 148-148e), and the Act of August 13, 1954  
20 (7 U. S. C. 148), to the extent necessary to meet emergency  
21 conditions: *Provided*, That no part of this appropriation shall  
22 be used to pay the cost or value of trees, farm animals, farm  
23 crops, or other property injured or destroyed as a result of



1 plant insect and disease control activities except potatoes and  
2 tomatoes as authorized under the Golden Nematode Act:  
3 *Provided further*, That, in the discretion of the Secretary, no  
4 part of this appropriation shall be expended for the control of  
5 sweetpotato weevil in any State until such State has provided  
6 cooperation necessary to accomplish this purpose, or for  
7 barberry eradication until a sum or sums at least equal to  
8 such expenditures shall have been made available by States,  
9 counties, or local authorities, or by individuals or organiza-  
10 tions for the accomplishment of this purpose, or with respect  
11 to the golden nematode except as prescribed in section 4 of  
12 the Golden Nematode Act;

13 Meat inspection: For carrying out the provisions of laws  
14 relating to Federal inspection of meat and meat-food products  
15 and the applicable provisions of the laws relating to process  
16 or renovated butter; \$16,586,000.

17 STATE EXPERIMENT STATIONS

18 Payments to States, Hawaii, Alaska, and Puerto Rico:  
19 For payments to agricultural experiment stations to carry  
20 into effect the provisions of the Hatch Act, approved March  
21 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), as  
22 amended by the Act approved August 11, 1955 (69 Stat.  
23 671), including administration by the United States De-  
24 partment of Agriculture, \$29,003,708; and payments  
25 authorized under section 204 (b) of the Agricultural

1 Marketing Act, the Act approved August 14, 1946 (7  
2 U. S. C. 1623), \$500,000; in all, \$29,503,708.

3 Penalty mail: For penalty mail costs of agricultural  
4 experiment stations, under section 6 of the Hatch Act of  
5 1887, as amended, \$250,000.

6 DISEASES OF ANIMALS AND POULTRY

7 Eradication activities: For expenses necessary in the  
8 arrest and eradication of foot-and-mouth disease, rinderpest,  
9 contagious pleuro-pneumonia, or other contagious or infec-  
10 tious diseases of animals, or European fowl pest and similar  
11 diseases in poultry, and for foot-and-mouth disease and  
12 rinderpest programs undertaken pursuant to the provisions  
13 of the Act of February 28, 1947, and the Act of May 29,  
14 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111-122),  
15 including expenses in accordance with section 2 of said  
16 Act of February 28, 1947, the Secretary may transfer from  
17 other appropriations or funds available to the bureaus, cor-  
18 porations, or agencies of the Department such sums as he  
19 may deem necessary, but not to exceed \$1,270,000 for  
20 eradication of vesicular exanthema of swine, to be avail-  
21 able only in an emergency which threatens the livestock  
22 or poultry industry of the country, and any unexpended  
23 balances of funds transferred under this head in the next  
24 preceding fiscal year shall be merged with such transferred  
25 amounts: *Provided*, That this appropriation shall be subject



1 to applicable provisions contained in the item "Salaries and  
2 expenses, Agricultural Research Service".

3 EXTENSION SERVICE

4 COOPERATIVE EXTENSION WORK, PAYMENTS AND  
5 EXPENSES

6 Payments to States, Hawaii, Alaska, and Puerto Rico:  
7 For payments for cooperative agricultural extension work  
8 under the Smith-Lever Act, as amended by the Act of June  
9 26, 1953 (7 U. S. C. 341-348), and the Act of August 11,  
10 1955 (69 Stat. 683-4), \$47,606,000; and payments and  
11 contracts for such work under section 204 (b)-205 of the  
12 Agricultural Marketing Act of 1946 (7 U. S. C. 1623-  
13 1624), \$1,495,000; in all, \$49,101,000: *Provided*, That  
14 funds hereby appropriated pursuant to section 3 (c) of the  
15 Act of June 26, 1953, shall not be paid to any State,  
16 Hawaii, Alaska, or Puerto Rico prior to availability of an  
17 equal sum from non-Federal sources for expenditure during  
18 the current fiscal year.

19 Retirement costs for extension agents: For cost of em-  
20 ployer's share of Federal retirement for cooperative extension  
21 employees, \$5,260,000.

22 Penalty mail: For costs of penalty mail for cooperative  
23 extension agents and State extension directors, \$2,164,000.

24 Federal Extension Service: For administration of the

1 Smith-Lever Act, as amended by the Act of June 26,  
 2 1953 (7 U. S. C. 341-348), and the Act of August 11,  
 3 1955 (69 Stat. 683-4), and extension aspects of the Agri-  
 4 cultural Marketing Act of 1946 (7 U. S. C. 1621-1627),  
 5 and to coordinate and provide program leadership for the  
 6 extension work of the Department and the several States,  
 7 Territories, and insular possessions, \$2,096,540.

#### 8 FARMER COOPERATIVE SERVICE

9 For necessary expenses to carry out the Act of July 2,  
 10 1926 (7 U. S. C. 451-457), \$578,000.

#### 11 AGRICULTURAL MARKETING SERVICE

##### 12 MARKETING RESEARCH AND SERVICE

13 For expenses necessary to carry on research and service  
 14 to improve and develop marketing and distribution relating  
 15 to agriculture as authorized by the Agricultural Marketing  
 16 Act of 1946 (7 U. S. C. 1621-1627) and other laws,  
 17 including the administration of marketing regulatory acts  
 18 connected therewith: *Provided*, That appropriations here-  
 19 under shall be available pursuant to 5 U. S. C. 565a for the  
 20 construction, alteration, and repair of buildings and im-  
 21 provements, but unless otherwise provided, the cost of erect-  
 22 ing any one building shall not exceed \$10,000, except for  
 23 two buildings to be constructed or improved at a cost not  
 24 to exceed \$20,000 each, and the cost of altering any one



1 building during the fiscal year shall not exceed \$3,750  
2 or 3 per centum of the cost of the building, whichever is  
3 greater:

4       Marketing research and agricultural estimates: For re-  
5 search and development relating to agricultural marketing  
6 and distribution, for analyses relating to farm prices, income  
7 and population, and demand for farm products, for crop  
8 and livestock estimates, and for acquisition of land,  
9 \$14,041,700: *Provided*, That not less than \$350,000  
10 of the funds contained in this appropriation shall be  
11 available to continue to gather statistics and conduct a  
12 special study on the price spread between the farmer and the  
13 consumer: *Provided further*, That no part of the funds herein  
14 appropriated shall be available for any expense incident to  
15 ascertaining, collating, or publishing a report stating the  
16 intention of farmers as to the acreage to be planted in cotton,  
17 or for estimates of apple production for other than the com-  
18 mercial crop;

19       Marketing services: For services relating to agricultural  
20 marketing and distribution, for carrying out regulatory acts  
21 connected therewith, and for administration and coordination  
22 of payments to States, \$14,274,900, including not to  
23 exceed \$25,000 for employment at rates not to exceed \$50  
24 per diem, except for employment in rate cases at not to ex-  
25 ceed \$100 per diem pursuant to the second sentence of section

1 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as  
 2 amended by section 15 of the Act of August 2, 1946. (5  
 3 U. S. C. 55a), in carrying out section 201 (a) to 201 (d),  
 4 inclusive, of title II of the Agricultural Adjustment Act of  
 5 1938 (7 U. S. C. 1291) and section 203 (j) of the Agri-  
 6 cultural Marketing Act of 1946.

#### 7 PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

8 For payments to departments of agriculture, bureaus  
 9 and departments of markets, and similar agencies for mar-  
 10 keting activities under section 204 (b) of the Agricultural  
 11 Marketing Act of 1946 (7 U. S. C. 1623 (b)),  
 12 \$1,160,000.

#### 13 SCHOOL LUNCH PROGRAM

14 For necessary expenses to carry out the provisions of  
 15 the National School Lunch Act (42 U. S. C. 1751-1760),  
 16 \$100,000,000: *Provided*, That no part of this appropriation  
 17 shall be used for nonfood assistance under section 5 of said  
 18 Act.

#### 19 FOREIGN AGRICULTURAL SERVICE

20 For necessary expenses for the Foreign Agricultural  
 21 Service, including carrying out title VI of the Agricultural  
 22 Act of 1954 (68 Stat. 908), and for enabling the Secretary  
 23 to coordinate and integrate activities of the Department in  
 24 connection with foreign agricultural work, including not to



1 exceed \$25,000 for representation allowances, and for expenses  
 2 pursuant to section 8 of the Act approved August 3, 1956  
 3 (70 Stat. 1034), \$3,902,300: *Provided*, That not less than  
 4 \$400,000 of the funds contained in this appropriation shall  
 5 be available to obtain statistics and related facts on foreign  
 6 production and full and complete information on methods  
 7 used by other countries to move farm commodities in world  
 8 trade on a competitive basis.

### 9 COMMODITY EXCHANGE AUTHORITY

10 For necessary expenses to carry into effect the pro-  
 11 visions of the Commodity Exchange Act, as amended (7  
 12 U. S. C. 1-17a), \$832,000.

### 13 COMMODITY STABILIZATION SERVICE

#### 14 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

15 For necessary expenses to formulate and carry out  
 16 acreage allotment and marketing quota programs pursuant  
 17 to provisions of title III of the Agricultural Adjustment Act  
 18 of 1938, as amended (7 U. S. C. 1301-1393), \$40,715,-  
 19 000, of which not more than \$6,380,100 shall be transferred  
 20 to the appropriation account "Administrative expenses, sec-  
 21 tion 392, Agricultural Adjustment Act of 1938".

### 22 SUGAR ACT PROGRAM

23 For necessary expenses to carry into effect the pro-  
 24 visions of the Sugar Act of 1948 (7 U. S. C. 1101-1160),  
 25 \$67,662,500, to remain available until June 30 of the next

1 succeeding fiscal year: *Provided*, That expenditures (includ-  
2 ing transfers) from this appropriation for other than pay-  
3 ments to sugar producers shall not exceed \$2,124,500.

4 FEDERAL CROP INSURANCE CORPORATION

5 For operating and administrative expenses, \$6,376,700.

6 RURAL ELECTRIFICATION ADMINISTRATION

7 To carry into effect the provisions of the Rural Electrifi-  
8 cation Act of 1936, as amended (7 U. S. C. 901-924); as  
9 follows:

10 LOAN AUTHORIZATIONS

11 For loans in accordance with said Act, and for carry-  
12 ing out the provisions of section 7 thereof, to be borrowed  
13 from the Secretary of the Treasury in accordance with the  
14 provisions of section 3 (a) of said Act as follows: Rural  
15 electrification program, \$179,000,000, of which not to  
16 exceed \$20,000,000 shall be placed in reserve to be bor-  
17 rowed under the same terms and conditions to the extent  
18 that such amount is required during the fiscal year 1958  
19 under the then existing conditions for the expeditious and  
20 orderly development of the rural electrification program;  
21 and rural telephone program, \$60,000,000, of which not to  
22 exceed \$10,000,000 shall be placed in reserve to be bor-  
23 rowed under the same terms and conditions to the extent  
24 that such amount is required during the fiscal year 1958



1 under the then existing conditions for the expeditious and  
2 orderly development of the rural telephone program.

3 SALARIES AND EXPENSES

4 For administrative expenses, including not to to exceed  
5 \$500 for financial and credit reports, and not to exceed  
6 \$150,000 for employment pursuant to the second sentence  
7 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.  
8 574), as amended by section 15 of the Act of August 2,  
9 1946 (5 U. S. C. 55a), \$9,030,950.

10 FARMERS' HOME ADMINISTRATION

11 To carry into effect the provisions of titles I, II, and  
12 the related provisions of title IV of the Bankhead-Jones  
13 Farm Tenant Act, as amended (7 U. S. C. 1000-1031);  
14 the Farmers' Home Administration Act of 1946 (7 U. S. C.  
15 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.  
16 Code 535; 60 Stat. 1062-1080); the Act of July 30,  
17 1946 (40 U. S. C. 436-439); the Act of August 28,  
18 1937, as amended (16 U. S. C. 590r-590x-3), for the  
19 development of facilities for water storage and utilization  
20 in the arid and semiarid areas of the United States; the  
21 provisions of title V of the Housing Act of 1949, as amended  
22 (42 U. S. C. 1471-1483), relating to financial assistance  
23 for farm housing; the Rural Rehabilitation Corporation  
24 Trust Liquidation Act, approved May 3, 1950 (40 U. S. C.  
25 440-444); the items "Loans to farmers, 1948 flood damage"

1 in the Act of June 25, 1948 (62 Stat. 1038), and "Loans  
2 to farmers, property damage" in the Act of May 24, 1949  
3 (63 Stat. 82); the collecting and servicing of credit sales  
4 and development accounts in water conservation and utiliza-  
5 tion projects (53 Stat. 685, 719), as amended and supple-  
6 mented (16 U. S. C. 590y, z—1 and z—10); and the Act  
7 to direct the Secretary of Agriculture to convey certain  
8 mineral interests, approved September 6, 1950 (7 U. S. C  
9 1033–1039), as follows:

10 LOAN AUTHORIZATIONS

11 For loans (including payments in lieu of taxes and taxes  
12 under section 50 of the Bankhead-Jones Farm Tenant Act,  
13 as amended, and advances incident to the acquisition and  
14 preservation of security of obligations under the foregoing  
15 several authorities, except that such advances under title V  
16 of the Housing Act of 1949, as amended, shall be made from  
17 funds obtained under section 511 of that Act, as amended):  
18 Title I and section 43 of title IV of the Bankhead-Jones  
19 Farm Tenant Act, as amended, \$24,000,000, of which not  
20 to exceed \$2,500,000 may be distributed to States and Ter-  
21 ritories without regard to farm population and prevalence  
22 of tenancy, in addition to the amount otherwise distributed  
23 thereto, for loans in reclamation projects and to entrymen  
24 on unpatented public land; title II of the Bankhead-Jones



1 Farm Tenant Act, as amended, \$180,000,000; the Act of  
 2 August 28, 1937, as amended, \$5,500,000: *Provided*, That  
 3 not to exceed the foregoing several amounts shall be bor-  
 4 rowed in one account from the Secretary of the Treasury  
 5 in accordance with the provisions set forth under this head in  
 6 the Department of Agriculture Appropriation Act, 1952.

7 SALARIES AND EXPENSES

8 For making, servicing, and collecting loans and insured  
 9 mortgages, the servicing and collecting of loans made under  
 10 prior authority, the liquidation of assets transferred to  
 11 Farmers' Home Administration, and other administrative  
 12 expenses, \$29,089,500, together with a transfer of not to  
 13 exceed \$950,000 of the fees and administrative expense  
 14 charges made available by subsections (d) and (e) of sec-  
 15 tion 12 of the Bankhead-Jones Farm Tenant Act, as  
 16 amended (7 U. S. C. 1005 (b) ), and section 10 (c) of  
 17 the Act of August 28, 1937, as amended.

18 OFFICE OF THE GENERAL COUNSEL

19 For necessary expenses, including payment of fees or  
 20 dues for the use of law libraries by attorneys in the field  
 21 service, \$2,943,000.

22 OFFICE OF THE SECRETARY

23 For expenses of the Office of the Secretary of Agricul-  
 24 ture; expenses of the National Agricultural Advisory Com-  
 25 mission; stationery, supplies, materials, and equipment;

1 freight, express, and drayage charges; advertising of bids,  
2 communication service, postage, washing towels, repairs and  
3 alterations, and other miscellaneous supplies and expenses  
4 not otherwise provided for and necessary for the practical  
5 and efficient work of the Department of Agriculture;  
6 \$2,640,660.

#### 7 OFFICE OF INFORMATION

8 For necessary expenses of the Office of Information for  
9 the dissemination of agricultural information and the coordi-  
10 nation of informational work and programs authorized by  
11 Congress in the Department, \$1,367,500, of which total  
12 appropriation not to exceed \$537,000 may be used for  
13 farmers' bulletins, which shall be adapted to the interests  
14 of the people of the different sections of the country, an  
15 equal proportion of four-fifths of which shall be delivered  
16 to or sent out under the addressed franks furnished by the  
17 Senators, Representatives, and Delegates in Congress, as  
18 they shall direct (7 U. S. C. 417) and not less than two  
19 hundred thirty thousand eight hundred and fifty copies for  
20 the use of the Senate and House of Representatives of part 2  
21 of the annual report of the Secretary (known as the Yearbook  
22 of Agriculture) as authorized by section 73 of the Act of  
23 January 12, 1895 (44 U. S. C. 241): *Provided*, That in  
24 the preparation of motion pictures or exhibits by the Depart-  
25 ment, not exceeding a total of \$10,000 may be used for



1 employment pursuant to the second sentence of section 706  
2 (a) of the Organic Act of 1944 (5 U. S. C. 574), as  
3 amended by section 15 of the Act of August 2, 1946 (5  
4 U. S. C. 55a).

#### 5 LIBRARY

6 For necessary expenses, including dues for library  
7 membership in societies or associations which issue publica-  
8 tions to members only or at a price to members lower than  
9 to subscribers who are not members, \$772,000.

#### 10 SOIL AND WATER CONSERVATION

11 For necessary expenses to carry out soil and water con-  
12 servation programs authorized in the Soil Conservation and  
13 Domestic Allotment Act, as amended (16 U. S. C. 590a-  
14 590q), the Watershed Protection and Flood Prevention Act,  
15 as amended (16 U. S. C. 1001-1007), the Flood Control  
16 Act, as amended and supplemented (33 U. S. C. 701-709),  
17 subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-  
18 1837 and 1802-1814), the Acts of May 10, 1939 (53 Stat.  
19 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10),  
20 as amended and supplemented, June 28, 1949 (63 Stat.  
21 277), and September 6, 1950 (7 U. S. C. 1033-1039),  
22 \$535,000,000, to remain available until expended: *Provided,*  
23 That not to exceed \$40,000,000 shall be available for ad-  
24 ministrative expenses in carrying out sections 7-17 of the  
25 Soil Conservation and Domestic Allotment Act and subtitles

1 B and C of the Soil Bank Act of which not less than \$30,-  
2 000,000 may be transferred to the appropriation account  
3 "Local administration, section 388, Agricultural Adjustment  
4 Act of 1938": *Provided further*, That not to exceed  
5 \$7,200,000 shall be transferred to and merged with the ap-  
6 propriation "Salaries and expenses, Agricultural Research  
7 Service, Research" for soil and water conservation research,  
8 of which \$1,200,000 shall be available for construction of  
9 buildings and for the acquisition of necessary land therefor,  
10 and not to exceed \$20,000 for alterations of buildings,  
11 without regard to limitations prescribed in this Act: *Pro-*  
12 *vided further*, That this appropriation shall be available pur-  
13 suant to title 5, United States Code, section 565a, for the  
14 construction, alteration, and repair of buildings and improve-  
15 ments, but unless otherwise provided the cost of constructing  
16 any one building shall not exceed \$10,000 and the cost of  
17 altering any one building during the fiscal year shall not ex-  
18 ceed \$3,750 or 3 per centum of the cost of the building,  
19 whichever is greater; not to exceed \$150,000 for employ-  
20 ment pursuant to the second sentence of section 706 (a) of  
21 the Organic Act of 1944 (5 U. S. C. 574), as amended by  
22 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a);  
23 and for the temporary employment of qualified local engi-  
24 neers at per diem rates to perform the technical planning  
25 work: *Provided further*, That the unexpended balances of



1 appropriations heretofore made for "Watershed protection",  
2 "Flood prevention", and "Water conservation and utiliza-  
3 tion projects" shall be merged with this appropriation: *Pro-*  
4 *vided further*, That programs included hereunder shall be  
5 subject to the following additional provisions:

6       Agricultural conservation program: This appropriation  
7 shall be available for administrative expenses in connection  
8 with the formulation and administration of the 1958 pro-  
9 gram of soil building and soil and water conservation prac-  
10 tices under sections 7 to 15, 16 (a), and 17 of the Soil  
11 Conservation and Domestic Allotment Act, as amended  
12 (amounting to \$250,000,000, including administration, and  
13 no participant shall receive more than \$2,500, except where  
14 the participants from two or more farms or ranches join  
15 to carry out approved practices designed to conserve or  
16 improve the agricultural resources of the community) ; and  
17 for the purchase of seeds, fertilizers, lime, trees, or any  
18 other farming material, or any soil-terracing services and  
19 making grants thereof to agricultural producers to aid them  
20 in carrying out farming practices approved by the Secretary  
21 under programs provided for herein. Not to exceed 5 per  
22 centum of all the allocation for the 1958 agricultural conser-  
23 vation program for any county may, on the recommendation  
24 of such county committee and approval of the State com-  
25 mittee, be withheld and allotted to the Soil Conservation

1 Service for services of its technicians in formulating and  
2 carrying out the agricultural conservation program in the  
3 participating counties, and shall not be utilized by the Soil  
4 Conservation Service for any purpose other than technical  
5 and other assistance in such counties, and in addition, on  
6 the recommendation of such county committee and approval  
7 of the State committee, not to exceed 1 per centum may be  
8 made available to any other Federal, State, or local public  
9 agency for the same purpose and under the same conditions.

10 Conservation reserve program: No part of this appro-  
11 priation shall be used to enter into contracts with producers  
12 which together with contracts already entered into would re-  
13 quire payments to producers (including the cost of mate-  
14 rials and services) in excess of \$250,000,000 in any calendar  
15 year, and for purposes of applying this limitation, practice  
16 payments shall be chargeable to the first year of the contract  
17 period.

18 Conservation operations, Soil Conservation Service:  
19 This appropriation shall be available for preparation of con-  
20 servation plans and establishment of measures to conserve  
21 soil and water (including farm irrigation and land drainage  
22 and such special measures as may be necessary to prevent  
23 floods and the siltation of reservoirs) ; operation of conserva-  
24 tion nurseries; and classification and mapping of soils: *Pro-*  
25 *vided further*, That in the State of Missouri, where the State



1 has established a central State agency authorized to enter  
2 into agreements with the United States or any of its agencies  
3 on policies and general programs for the saving of its soil  
4 by the extension of Federal aid to any soil conservation dis-  
5 trict in such State under sections 1 to 6 of the Soil Con-  
6 servation and Domestic Allotment Act, as amended, the  
7 agreements made by or on behalf of the United States with  
8 any such soil conservation district shall have the prior  
9 approval of such central State agency before they shall  
10 become effective as to such district.

11 Flood prevention: No part of the funds expended in  
12 accordance with the Flood Control Act, as amended and  
13 supplemented, shall be used for the purchase of lands in  
14 the Yazoo and Little Tallahatchie watersheds without spe-  
15 cific approval of the county board of supervisors of the county  
16 in which such lands are situated.

17 ACREAGE RESERVE, SOIL BANK

18 For necessary expenses to carry out an acreage reserve  
19 program in accordance with the provisions of subtitles A and  
20 C of the Soil Bank Act (7 U. S. C. 1821-1824 and 1802-  
21 1814), \$600,000,000: *Provided*, That no part of this  
22 appropriation shall be used to formulate and administer an  
23 acreage reserve program with respect to the 1958 crops,  
24 or in total compensation being paid to any one producer  
25 in excess of \$2,500 with respect to the 1958 crops.

## TITLE II—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year 1958 for such corporation or agency, except as hereinafter provided:

## FEDERAL CROP INSURANCE CORPORATION

Federal Crop Insurance Corporation: *Provided*, That not to exceed \$2,000,000 of administrative and operating expenses may be paid from premium income.

## COMMODITY CREDIT CORPORATION

## RESTORATION OF CAPITAL IMPAIRMENT

To restore the capital impairment of the Commodity Credit Corporation determined by the appraisal of June 30, 1956, pursuant to section 1 of the Act of March 8, 1938, as amended (15 U. S. C. 713a-1), \$1,239,788,671.

## LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Pro-*



1 *vided*, That not to exceed \$34,398,000 shall be avail-  
2 able for administrative expenses of the Corporation in-  
3 cluding uniforms, or allowances therefor, as authorized by  
4 the Act of September 1, 1954 (5 U. S. C. 2131), as  
5 amended: *Provided further*, That \$1,000,000 of this author-  
6 ization shall be available only to expand and strengthen the  
7 sales program of the Corporation pursuant to authority con-  
8 tained in the Corporation's charter: *Provided further*, That  
9 not less than 7 per centum of this authorization shall be  
10 placed in reserve to be apportioned pursuant to section 3679  
11 of the Revised Statutes, as amended, for use only in such  
12 amounts and at such time as may become necessary to carry  
13 out program operations: *Provided further*, That all neces-  
14 sary expenses (including legal and special services performed  
15 on a contract or fee basis, but not including other personal  
16 services) in connection with the acquisition, operation, main-  
17 tenance, improvement, or disposition of any real or personal  
18 property belonging to the Corporation or in which it has  
19 an interest, including expenses of collections of pledged col-  
20 lateral, shall be considered as nonadministrative expenses for  
21 the purposes hereof.

# TITLE III—SPECIAL ACTIVITIES

## REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION FOR ADVANCES FOR ANIMAL DISEASE ERADICATION ACTIVITIES

To reimburse the Commodity Credit Corporation for authorized transfers through June 30, 1956 (including interest through June 30, 1957), as follows: (1) \$1,853,450 for sums transferred to the appropriation "Foot-and-mouth and other contagious diseases of animals and poultry", fiscal year 1956, for eradication activities, pursuant to authority contained under such head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, and (2) \$16,728,210 for sums transferred to the appropriation "Salaries and expenses, Agricultural Research Service", fiscal year 1956, for brucellosis eradication, pursuant to section 204 (e) of the Act of August 28, 1954, as amended (7 U. S. C. 397).

## REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR ADVANCES FOR GRADING AND CLASSING ACTIVITIES

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing re-



1 search and service" through June 30, 1956 (including in-  
 2 terest thereon through June 30, 1957), pursuant to the Act  
 3 of August 31, 1951 (7 U. S. C. 414a), for grading tobacco  
 4 and classing cotton without charge to producers, as author-  
 5 ized by law (7 U. S. C. 473a, 511d), \$80,449.

#### 6 SPECIAL COMMODITY DISPOSAL PROGRAMS

7 To reimburse the Commodity Credit Corporation for  
 8 authorized costs (including interest through June 30, 1957),  
 9 as follows: (1) \$92,930,611 under the International Wheat  
 10 Agreement Act of 1949, as amended (7 U. S. C. 1641-  
 11 1642); (2) \$94,483,518 for commodities disposed of for  
 12 emergency famine relief to friendly peoples pursuant to  
 13 title II of the Act of July 10, 1954, as amended (7 U. S. C.  
 14 1703, 1721-1724); and (3) \$637,000,000 for the sale of  
 15 surplus agricultural commodities for foreign currencies pur-  
 16 suant to title I of the Act of July 10, 1954, as amended (7  
 17 U. S. C. 1701-1709).

#### 18 TITLE IV—RELATED AGENCIES

##### 19 FARM CREDIT ADMINISTRATION

20 Not to exceed \$2,200,000 (from assessments collected  
 21 from farm credit agencies) shall be obligated during the  
 22 current fiscal year for administrative expenses.

##### 23 FEDERAL FARM MORTGAGE CORPORATION

24 The Federal Farm Mortgage Corporation is authorized  
 25 to make such expenditures, within available funds and in

1 accordance with law, as may be necessary to liquidate its  
2 assets: *Provided*, That funds realized from the liquidation  
3 of assets which are determined by the Board of Directors  
4 to be in excess of the requirements for expenses of liquida-  
5 tion shall be applied first to the retirement of the remaining  
6 Government investment in the capital stock of the Cor-  
7 poration and then to dividends which shall be paid into  
8 the general fund of the Treasury.

9           FEDERAL INTERMEDIATE CREDIT BANKS

10       Not to exceed \$3,375,000 (to be computed on an ac-  
11 crual basis) of the funds of the banks shall be available for  
12 administrative expenses, including the purchase of not to  
13 exceed six passenger motor vehicles for replacement only  
14 and services performed for the banks by other Government  
15 agencies (except services and facilities furnished and exam-  
16 inations made by the Farm Credit Administration, and  
17 services performed by any Federal Reserve bank and by  
18 the United States Treasury in connection with the financial  
19 transactions of the banks) ; and said total sum shall be exclu-  
20 sive of interest expense, legal and special services performed  
21 on a contract or fee basis, and expenses in connection with  
22 the acquisition, operation, maintenance, improvement, pro-  
23 tection, or disposition of real or personal property belonging  
24 to the banks or in which they have an interest.



## 1 TITLE V—GENERAL PROVISIONS

2 SEC. 501. Within the unit limit of cost fixed by law,  
3 appropriations and authorizations made for the Department  
4 under this Act shall be available for the purchase, in addi-  
5 tion to those specifically provided for, of not to exceed 552  
6 passenger motor vehicles for replacement only, and for the  
7 hire of such vehicles.

8 SEC. 502. Provisions of law prohibiting or restricting  
9 the employment of aliens shall not apply to employment  
10 under the appropriation for the Foreign Agricultural Service.

11 SEC. 503. Funds available to the Department of Agri-  
12 culture shall be available for uniforms or allowances therefor  
13 as authorized by the Act of September 1, 1954, as amended  
14 (5 U. S. C. 2131).

15 SEC. 504. No part of the funds appropriated by this  
16 Act shall be used for the payment of any officer or employee  
17 of the Department who, as such officer or employee, or on  
18 behalf of the Department or any division, commission, or  
19 bureau thereof, issues, or causes to be issued, any prediction,  
20 oral or written, or forecast, except as to damage threatened  
21 or caused by insects and pests, with respect to future prices of  
22 cotton or the trend of same.

23 SEC. 505. Except to provide materials required in or  
24 incident to research or experimental work where no suitable  
25 domestic product is available, no part of the funds appro-

1 priated by this Act shall be expended in the purchase of  
2 twine manufactured from commodities or materials produced  
3 outside of the United States.

4 SEC. 506. Not less than \$1,500,000 of the appropria-  
5 tions of the Department for research and service work au-  
6 thorized by the Acts of August 14, 1946, and July 28, 1954  
7 (7 U. S. C. 427, 1621-1629), shall be available for con-  
8 tracting in accordance with said Acts.

9 SEC. 507. No part of any appropriation contained in  
10 this Act or of the funds available for expenditure by any  
11 corporation or agency included in this Act shall be used for  
12 publicity or propaganda purposes to support or defeat legis-  
13 lation pending before the Congress.

14 This Act may be cited as the "Department of Agricul-  
15 ture and Farm Credit Administration Appropriation Act,  
16 1958".

Passed the House of Representatives May 15, 1957.

Attest:

RALPH R. ROBERTS,

*Clerk.*



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## AN ACT

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Making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

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MAY 16, 1957

Read twice and referred to the Committee on Appropriations







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 6, 1957  
For actions of June 5, 1957  
85th-1st, No. 96

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HIGHLIGHTS: (See Page 6.)

## HOUSE

1. FOREIGN TRADE; SURPLUS DISPOSAL. The Rules Committee reported an open rule waiving points of order on H.R. 6974, to extend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) for one year. pp. D492, A4396, A4398
2. ACREAGE ALLOTMENTS. A subcommittee of the Agriculture Committee ordered reported with amendment H.R. 5678 (a clean bill is to be introduced), to make automatic the provision for protection of unused acreage allotment history during the period of the Soil Bank. pp. D491-92
3. LOANS. Received from the Budget Bureau a proposed bill "to insure greater consistency among Federal loan programs, to avoid hidden subsidies, and to achieve more effective coordination between Federal loan programs and the fiscal and credit policies of the Federal Government"; to Ways and Means Committee. p. 7526

## SENATE

4. APPROPRIATIONS. The Agriculture Subcommittee ordered reported to the full Appropriations Committee H.R. 7441, the agricultural appropriation bill. p. D490  
Sen. Johnson inserted a summary of Senate reductions in appropriation bills for 1958 as of June 5. p. 7468



5. RESEARCH. S. Res. 131, to print the report of the Commission on Increased Industrial Use of Agricultural Products, was reconsidered and agreed to with an amendment providing that the report be printed. p. 7466
6. FOREIGN TRADE. Passed without amendment H.R. 4136, extending for 5 years, until 1963, the power of the Export-Import Bank to make loans. pp. 7467, 7472, 7480-1. This bill will now be sent to the President.
7. BUDGETING. Passed as reported S. 434, to authorize budgeting on an accrued expenditures basis. pp. 7468-71
8. DISEASE INSPECTION. Sens. Humphrey and Thye urged a review of the procedures used in brucellosis inspection which they asserted were slowing up the fight on brucellosis and the discovery of reactors. pp. 7474-5
9. REORGANIZATION. Passed without amendment S. 1791, extending the Reorganization Act of 1949 until June 1, 1959. pp. 7485-6
10. WILDERNESS. Sen. Morse criticized the reduction made in the Three Sisters Wilderness Area and urged a review of wilderness procedures. He inserted a speech by the Chief of the Forest Service on "The National Forest Wilderness System." pp. 7509-11
11. BUILDINGS. The Subcommittee on Public Buildings and Grounds agreed to report to the Public Works Committee a bill to amend the Public Buildings Purchase Contract Act of 1954. p. D491
12. ELECTRIFICATION; RECLAMATION; TAX AMORTIZATION. Sen. Morse inserted a petition urging a high dam at Hells Canyon and a news article on the Idaho Power Co. tax amortization situation. p. 7444  
Sen. Church inserted an editorial criticizing the White House stand on Pacific Northwest resources development as contradictory, and several letters on the Pleasant Valley Dam proposal. pp. 7460-2  
Sen. Neuberger inserted two articles on the urgent need of Ore. for power, and urged a new priority system for industrial uses of power. pp. 7462-3  
Received from the Interior Department supplemental data to its report on the Trinity River section, Central Valley project. p. 7442  
Sen. Goldwater inserted a statement on the cost to the U.S. of the Idaho Power Co. tax writeoff certificates, stating that the figures given were arrived at by "mathematical legerdemain." pp. 7482-3  
Sen. Neuberger inserted two editorials criticizing the fast tax writeoff given the Idaho Power Co. pp. 7506-7  
Sen. Norse inserted an editorial supporting his position on the Idaho Power Co. tax amortization certificates, and another supporting his stand on criticism of the President. p. 7511  
Sen. Morse inserted an editorial "Hells Canyon and Taxes," which urged that rapid amortization be abandoned. p. 7512
13. EXPENDITURES; PERSONNEL. The Joint Committee on Reduction of Nonessential Federal Expenditures submitted its report on Federal employment and pay for April. pp. 7444-8
14. FARM BUREAU. Sen. Wiley inserted excerpts from the Wis. Farm Bureau's newspaper commemorating the dedication of its new State office building. pp. 7455-7







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 10, 1957  
For actions of June 7, 1957  
85th-1st, No. 98

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HIGHLIGHTS: Senate committees reported: Agriculture, Independent Offices, and Labor-HEW appropriation bills. Mutual security authorization bill.

## SENATE

1. APPROPRIATIONS. The Appropriations Committee reported with amendments H.R. 7441, the Agricultural appropriation bill (p. D501). Representatives of the Department agencies have been advised in detail of the Committee's actions on the estimates for the Department. Copies of the bill, committee report, and hearings will be distributed directly to the agency budget offices, as soon as received, pursuant to a distribution list that has been worked out with the Department agencies. The agencies will receive the material at the same time this office will receive it. The material will not be distributed from this office. In general, copies should be obtained from the agency budget offices rather than from this office. At the end of this Digest is a summary of the Committee actions.

The Appropriations Committee ordered reported with amendments the following bills:

H.R. 6070, 1958 independent offices appropriation bill, providing a total of \$4,378,224,800, a decrease of \$6,976,900 from the House-passed total of \$5,385,201,700. p. D501

H.R. 6287, 1958 Labor Health, Education, and Welfare appropriation bill, providing a total of \$2,885,290,781, an increase of \$38,459,200 over the House-passed total of \$2,846,831,581. p. D501



2. FOREIGN AID. The Foreign Relations Committee ordered reported with amendments S. 2130, the proposed Mutual Security Act of 1957. As approved by the Committee the bill would reduce the total authorization requests by a net of \$227.3 million. pp. D501-2
3. SAFETY. S. 931, to provide for reorganization of the safety functions of the Government, was reported without amendment by the Government Operations Committee on June 5 (S. Rept. 408). This bill creates in the Labor Department a Federal Safety Division to direct and coordinate all safety educational programs and related loss-prevention procedures conducted by the various Federal agencies and to carry out the present functions of the Federal Safety Council; requires Federal agencies to include in their budget estimates, for safety activities, amounts at least equal to those recommended by the Labor Department, unless the departments concerned state in writing to the Labor Department and the Budget Bureau their reasons for not doing so; and imposes penalties for falsifying or concealing facts relative to injury or death of persons compensable under the Federal Employees' Compensation Act.

#### HOUSE

4. FORESTRY. Received from GAO the first report on the audit of the Forest Service for 1955-56; to Government Operations Committee. p. 7638
5. LEGISLATIVE PROGRAM. Rep. McCormack announced that the following measures will be considered as soon as the civil rights bill is disposed of, possibly this week: Conference report on H.R. 7221, the third supplemental appropriation bill; H.R. 6974, to extend Public Law 480, S. 469, to extend termination date of Federal supervision over Klamath Indians; and H.R. 7163, the Federal construction contract procedures bill. p. 7628
6. ADJOURNED until Mon., June 10. p. 7638

#### ITEMS IN APPENDIX

7. STATEHOOD. Extension of remarks of Rep. Dawson in favor of Alaskan statehood and commenting on provisions of the bill. pp. A4465-6
8. FOREIGN AID. Rep. Gary inserted an editorial, "More Proof of Foreign-Aid Waste;" on the House Government Operations Committee report on foreign aid operations. p. A4467  
Extension of remarks of Rep. Smith urging the expansion of the technical assistance program on a long-term basis. p. A4467  
Rep. Haley inserted a letter from a constituent protesting the size of the budget and continued foreign aid. p. A4471  
Rep. Sullivan inserted a letter from a Postal employee contending that foreign aid should be suspended if the Government couldn't afford to give its workers a pay increase. pp. A4480-1 to  
Rep. Bosch inserted a column relating/certain foreign aid expenditures and criticizing the program. p. A4481
9. BUDGET. Rep. Coad inserted an editorial, "Who Is In Charge Down There?", criticizing the administration's stand on the budget. pp. A4469-70
10. TAX AMORTIZATION ; ELECTRIFICATION. Rep. Ullman inserted two articles concerning the fast tax writeoff granted the Idaho Power Co. pp. A4470-1

AGRICULTURAL RESEARCH SERVICE

RESEARCH

"....The Committee recommends \$58,794,890 for research, an increase of \$9,800,000 above the House bill. This increase consists of \$2 million for utilization research and to strengthen research in carrot breeding, and \$7,700,000 for soil and water conservation research. The House bill included \$7,200,000 for soil and water conservation under a consolidated appropriation of 'Soil and water conservation' which the Committee has stricken from the bill.

"The Committee approves the construction of buildings and laboratory facilities in the budget estimate and has approved the establishment of three new soil and water laboratory facilities: 1 to be located in one of the 'Reclamation States' as defined in the Reclamation Act of 1902, as amended; 1 in the Midwest, and 1 for Mississippi which shall be chosen by the Secretary of Agriculture after his investigation and consultation with all interested groups, interested educational institutions, and other parties. The Committee has also approved construction of facilities needed at the Southern Piedmont Soil Conservation Experiment Station together with funds to strengthen existing research at the station.

"The Committee recommends the following proviso be stricken:

Provided, That not to exceed \$25,000 shall be available for alterations of buildings, without regard to limitations prescribed herein

"The following proviso is inserted to provide authorization to carry out construction and alterations authorized:

Provided, That the limitations contained herein shall not apply to \$1,955,000 for the construction of buildings or to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U. S. C. 113a)."

PLANT AND ANIMAL DISEASE AND PEST CONTROL

"The Committee recommends \$26,082,000, an increase of \$400,000 over the House bill, to strengthen plant quarantine at ports of entry.

"The partial restoration is \$870,000 below the budget estimate."

FIRE ANT

"The Committee recommends that the Department undertake an eradication program on the fire ant. It now has legislative authority to do so and the Committee expects to receive proposals and plans on this program."

SCREWORM ERADICATION

"The Committee increased funds 2 years ago to step up research on eradication of the screwworm. It understands the Department now has completed its research on eradication methods and procedures.

"The State of Florida which has recently suffered its greatest loss from this pest since 1933 and has appropriated substantial funds to participate in cost sharing for an eradication program. The Committee requests the Department to provide it with a report on its plans and recommendations for undertaking an eradication program."

STATE EXPERIMENT STATIONS

"For payments to agricultural experiment stations for research \$30,503,703 is recommended which is \$1,000,000 above the House bill, a partial restoration of an increase of \$4,500,000 requested in the budget estimates."



## EXTENSION SERVICE

### COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

"The Committee recommends \$50,365,000, an increase of \$1,764,000 over the House bill and \$3,500,000 below the budget estimate.

"Not to exceed \$500,000 of the increase of \$1,764,000 may be expended for rural development work in States which heretofore have had no rural development program."

## AGRICULTURAL MARKETING SERVICE

### MARKETING RESEARCH AND AGRICULTURAL ESTIMATES

"The Committee recommends \$14,141,700, an increase of \$100,000 over the House bill, and \$1,340,300 below the increases requested in the budget.

"The partial restoration of \$100,000 is recommended to continue weekly weather crop reports and to improve estimates of poultry laying flocks and egg production.

"The Committee wishes to facilitate in every possible way research on production and marketing. It doubts the advisability of such projects as recently reported under 'Highway transportation barriers' and requests the agency to carefully review its research projects so as to undertake only those projects which are essential and proper."

## MARKETING SERVICES

"The Committee recommends \$14,324,900, an increase of \$50,000 over the House bill and \$861,000 below the budget estimate.

"The increase of \$50,000 is a partial restoration of \$178,000 requested to strengthen administration of the Packers and Stockyards Act. The Committee believes that administration of this act should be continued in the Department of Agriculture.

"The Committee is advised the livestock market at Sioux Falls, S. Dak., has recently been placed in category I, and believes it deserves treatment similar to other markets in this category."

## FOREIGN AGRICULTURAL SERVICE

"The Committee recommends \$4,052,300, an increase of \$150,000 over the House bill and \$331,200 below the budget estimate.

"The partial restoration of \$150,000 will enable the agency to carry out home leave requirements customarily granted to employees after 2-year tours of service abroad.

"The Committee has also approved the following proviso in the budget estimate, and stricken in the House. The proviso authorizes the agency to carry out activities which heretofore were provided by authority in State Department Appropriation Acts and which will not be available after June 30, 1957.

Provided further, That provisions of the Act of August 1, 1956 (70 Stat. 890-892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitates the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service."

## COMMODITY STABILIZATION SERVICE

"This agency is responsible for administration of the acreage and allotment programs, price support, soil bank, and related program activities which are carried out through the State ASC and county committees, and except for the soil bank has had several years of experience in formulating and conducting these programs."

"Last year the Committee approved funds to increase salaries and strengthen qualifications of county committee employees. Adequate compensation for county employees is essential to the recruitment and retention of qualified employees. The Committee has found that salary increases granted have not resulted in a corresponding increase in qualification requirements comparable with other local agricultural activities.

"In order to achieve efficiency from county committee personnel it is essential that they be provided with timely and clear-cut procedures to facilitate county office operations.

"The Committee believes significant savings can be made by consolidating, simplifying, and standardizing forms and procedures. County committees should be provided with the details of program changes concurrently with their announcement by the Washington office and thereby eliminate delays and administrative costs which result from inability of county committees to promptly advise farmers of program changes. The performance checking procedures should be revised to reduce the administrative cost and to curtail unneeded multiple performance checking.

"The Committee recommends that in administering the administrative expense limitations for programs carried out by State and county ASC committees that the intent of limitations be carried out in order to provide the required amount of funds necessary to strengthen State and county operations."

#### OFFICE OF THE SECRETARY

"The Committee recommends \$2,664,060, an increase of \$23,400, over the House bill, and \$61,940 below the budget estimate.

"The partial restoration of \$23,400 will enable this office to meet mandatory increases resulting from the Federal executive pay law (Public Law 854) and may provide sufficient funds to permit better coordination and leadership to the rural development program."

#### SOIL AND WATER CONSERVATION PROGRAMS

"The House bill provided a consolidation of appropriations for the Soil Conservation Service, the new Great Plains program, the agricultural conservation program, the conservation reserve program of the soil bank, and for research on soil and water conservation. The House bill provided a lump-sum appropriation of \$535 million to meet budget activities totaling six.

"The Committee fully agrees with the House on the need for closer coordination between these programs. It believes the Department should make every effort to coordinate and bring about effective and efficient administration of related programs.

"The Committee believes that Congress has the responsibility for making a determination of fund requirements for individual program activities and has therefore stricken the entire section under 'Soil and water conservation' beginning on page 16, after line 9, through line 16 of page 20, and has inserted appropriate appropriation heads and language to restore the individual items contained in the budget estimates and as modified by committee amendments."

#### SOIL CONSERVATION SERVICE

##### CONSERVATION OPERATIONS

"The Committee recommends \$73,545,000, an increase of \$6,045,000 over 1957, as requested in the budget estimates.

"Of the increase of \$6,045,000, the amount of \$3,351,750 is for retirement contributions with a net increase of \$2,693,250 to provide technical assistance to new soil conservation districts, to accelerate soil surveys and extend technical assistance to low income farms."



## WATERSHED PROTECTION

"The Committee recommends \$25,500,000, the budget estimate, an increase of \$8,000,000 over 1957. The Committee is advised that \$4,500,000 will be carried over from 1957, making \$30,000,000 available for next year's program."

## FLOOD PREVENTION

"The Committee recommends \$13,220,000, the budget estimate, an increase of \$1,220,000 over 1957, to accelerate installation of works of improvement.

"The Committee has considered the question of funds required for the Chickasha Reservoir project. It understands that the Corps of Engineers and the Soil Conservation Service have agreed that \$248,747 of the \$2,748,368 to be available for the Washita project would be required to construct a multipurpose reservoir on Spring Creek by the city of Chickasha, Okla. The Committee agrees to the joint recommendation of the Soil Conservation Service and Corps of Engineers as to the desirability of this construction and recommends the construction agreed upon."

## WATER CONSERVATION AND UTILIZATION PROJECTS

"The Committee recommends \$350,000, the budget estimate, an increase of \$118,000 over 1957, to continue land development on the project at Eden, Wyo."

## GREAT PLAINS CONSERVATION PROGRAM

"The Committee recommends \$10,000,000, a decrease of \$10,000,000 below the budget estimate of \$20,000,000.

"The amount recommended will enable the Department to inaugurate this program for which plans have not yet been formulated."

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

"The Committee recommends an appropriation of \$212,000,000 to finance the 1957 program of \$250,000,000 which was authorized in the 1957 appropriation act. There is a balance of \$38,000,000 available under the 1955 program to provide the full \$250,000,000 required.

"The Committee recommends an advance authorization of \$250,000,000 for the 1958 program.

"The Committee has provided an administrative expense limitation of \$24,698,000, of which not more than \$5,025,800 may be transferred to section 392 for costs of National and State administration. This is the amount provided for 1957 and is \$1,704,400 below the budget estimate.

"The Committee has restored the limitation of \$1,500 which any participant may receive from the program. This restores the amount in the law for 1957, and the amount requested in the budget estimate; and strikes out an amendment inserted in the House to increase the limitation on payments from \$1,500 to \$2,500."

## SOIL BANK PROGRAMS

### CONSERVATION RESERVE PROGRAM

"The Committee recommends an appropriation of \$162,940,000 for fiscal 1953 to make annual and practice payments, and to administer the program. The revised budget requested \$298,826,660, and the amount recommended is \$135,886,660 below the estimates. In fiscal 1957 the program was financed from capital funds of the Commodity Credit Corporation pursuant to authority in the Soil Bank Act, 1956.

"The Committee recommends \$18,000,000 for administrative and technical expenses, and of this amount not to exceed \$4,500,000 may be used for State and National office administration.

"The Committee agrees with the House that the \$5,000,000 proposed for expansion of nurseries will not be needed due to the slow rate of signup for practices requiring seedling stock.

"The House bill provided a limitation on the program of \$250,000,000. The Committee recommends a program limitation of \$350,000,000, an increase of \$100,000,000 above the House bill.

"The Committee has inserted the following proviso:

Provided further, That the average annual rental payment per acre shall not exceed \$7.50 per acre for conservation reserve contracts entered into thirty days after approval of this Act.

"The Committee recommendation is made to provide more realistic annual payment rates under the program. The formula used by the Department has resulted in establishing rates too high in some States, particularly for long-term contracts.

"The Committee believes this program has merit if carefully administered to avoid abuses and participation for speculative purposes which have been reported to the Committee."

#### ACREAGE RESERVE PROGRAM

"The Committee recommends an appropriation of \$600,000,000, the same amount as the House bill, and a decrease of \$101,173,340 from the budget estimate of . . . \$701,173,340.

"The Committee recommends not to exceed \$34,500,000 for administrative expenses. It is expected that with experience gained in developing and administering the 1956 and 1957 programs that some of this limitation will be available for program payments.

"The Committee recommends that the following proviso in the House bill beginning on page 20, line 21 after the colon be stricken:

Provided, That no part of this appropriation shall be used to formulate and administer an acreage reserve program with respect to the 1958 crops; or in total compensation being paid to any one producer in excess of \$2,500 with respect to the 1958 crops

"The Committee recommends insertion of the following provisions:

Provided, That not to exceed \$34,500,000 of the total sum provided under this head shall be available for administrative expenses: Provided further, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of \$500,000,000 with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of \$5,000 with respect to the 1958 crops

"The Committee amendment provides authorization to formulate and administer a program for 1958 crops of not to exceed \$500,000,000.

"Under present circumstances there appears to be little or no possibility of getting new farm legislation approved during this session of Congress. There is some doubt that the acreage reserve program will achieve its objective of reducing surpluses. The Department has requested restoration of a \$750,000,000 program for 1958.

"The Committee recommendation will provide authority to plan a 1958 program, but unless the 1957 program proves to be more successful than anticipated it is doubtful that authorization will be given for a 1959 program.

"The Committee recommendation provides an opportunity to the legislative committees, and to the Department to evaluate the effectiveness of the acreage reserve program, and provide new legislation prior to this committee's action on the 1959 program."



# UNITED STATES DEPARTMENT OF AGRICULTURE

Senate Committee Bill, 1958, Compared with House Bill, 1958

[Note.--Amounts for 1957 include all supplemental appropriations to date and proposed supplementals included in House Document 115, and are adjusted for comparability with appropriation structure proposed in the 1958 Senate Committee Bill.]

| Agency or Item                                | Appropriations:<br>and Loan<br>Authorizations:<br>1957 | Budget<br>Estimates,<br>1958 | House<br>Bill,<br>1958 | Senate<br>Committee<br>Bill,<br>1958 | Increase (+) or<br>Decrease (-),<br>Senate Committee<br>Bill Compared with<br>House Bill, 1958 |
|---|--|------------------------------|------------------------|--------------------------------------|--|
| ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES: |  |                              |                        |                                      |  |
| Agricultural Research Service:                |  |                              |                        |                                      |  |
| Research, including research on               |  |                              |                        |                                      |  |
| foot-and-mouth disease .....                  | \$53,786,000:  | \$60,875,000:                | \$48,994,890:          | \$58,794,890:                        | +\$9,800,000   |
| Plant and animal disease and pest             |  |                              |                        |                                      |  |
| control .....                                 | a/ 29,744,000:   | 26,952,000:                  | 25,682,000:            | 26,082,000:                          | +400,000   |
| Meat inspection .....                         | 15,650,000:  | 18,718,000:                  | 16,586,000:            | 16,586,000:                          | - -  |
| State Experiment Stations (prin-              |  |                              |                        |                                      |  |
| cipally payments to States) ....              | b/ 29,753,708:   | 34,253,708:                  | 29,753,708:            | 30,753,708:                          | +1,000,000   |
| Animal disease laboratory                     |  |                              |                        |                                      |  |
| facilities .....                              | 16,250,000:  | - -                          | - -                    | - -                                  | - -  |
| Extension Service (principally pay-           |  |                              |                        |                                      |  |
| ments to States) .....                        | c/ 54,029,000:   | 64,130,000:                  | 58,621,540:            | 60,385,540:                          | +1,764,000   |
| Agricultural Marketing Service:               |  |                              |                        |                                      |  |
| Marketing research and service ...            | 27,617,000:  | 31,928,500:                  | 29,476,600:            | 29,626,600:                          | +150,000   |
| School lunch program .....                    | 100,000,000:   | 100,000,000:                 | 100,000,000:           | 100,000,000:                         | - -  |
| Foreign Agricultural Service .....            | 3,750,000:   | 4,383,500:                   | 3,902,300:             | 4,052,300:                           | +150,000   |
| Commodity Stabilization Service:              |  |                              |                        |                                      |  |
| Acreeage allotments and marketing             |  |                              |                        |                                      |  |
| quotas .....                                  | 40,963,000:  | 43,000,000:                  | 40,715,000:            | 40,715,000:                          | - -  |
| Sugar Act program .....                       | 67,600,000:  | 72,200,000:                  | 67,662,500:            | 67,662,500:                          | - -  |
| Federal Crop Insurance Corporation            |  |                              |                        |                                      |  |
| (Operating and administrative                 |  |                              |                        |                                      |  |
| expenses) .....                               | 6,210,000:   | 7,300,000:                   | 6,376,700:             | 6,376,700:                           | - -  |





|   |                 |                 |                 |                 |  |  |  |  |     |
|---|-----------------|-----------------|-----------------|-----------------|--|--|--|--|-----|
| Agricultural Research Service:  |                 |                 |                 |                 |  |  |  |  |     |
| For advances for animal disease eradication activities .....  |                 |                 |                 |                 |  |  |  |  |     |
| Agricultural Marketing Service:   | 13,060,954:     | 18,581,660:     | 18,581,660:     | 18,581,660:     |  |  |  |  | - - |
| For advances for costs incurred for inspecting and grading tobacco and classing cotton ..                                       | 367,740:        | 80,449:         | 80,449:         | 80,449:         |  |  |  |  | - - |
| Commodity Stabilization Service:  |                 |                 |                 |                 |  |  |  |  |     |
| For Special Commodity Disposal Programs:  |                 |                 |                 |                 |  |  |  |  |     |
| Sales of surplus agricultural commodities for foreign currencies (Public Law 480, approved July 10, 1954) ..                    | 67,477,228:     | 637,000,000:    | 637,000,000:    | 637,000,000:    |  |  |  |  | - - |
| Other (International Wheat Agreement, Emergency Famine Relief to Friendly Peoples, and Transfer of Hay and Pasture Seeds) ..... | 189,943,760:    | 187,414,129:    | 187,414,129:    | 187,414,129:    |  |  |  |  | - - |
| Total, Special Activities .....   | 270,849,682:    | 843,076,238:    | 843,076,238:    | 843,076,238:    |  |  |  |  | - - |
| PERMANENT APPROPRIATIONS:   |                 |                 |                 |                 |  |  |  |  |     |
| Removal of surplus agricultural commodities (30 percent of customs receipts) .....  | 199,976,003:    | 223,500,000:    | 223,500,000:    | 223,500,000:    |  |  |  |  | - - |
| National Wool Act .....   | 2,020,975:      | 35,000,000:     | 35,000,000:     | 35,000,000:     |  |  |  |  | - - |
| All other permanent appropriations ..   | 546,000:        | 675,000:        | 675,000:        | 675,000:        |  |  |  |  | - - |
| Total, Permanent Appropriations ...   | 202,542,978:    | 259,175,000:    | 259,175,000:    | 259,175,000:    |  |  |  |  | - - |
| LOAN AUTHORIZATIONS:  |                 |                 |                 |                 |  |  |  |  |     |
| Rural Electrification Administration  |                 |                 |                 |                 |  |  |  |  |     |
| Loans:  |                 |                 |                 |                 |  |  |  |  |     |
| Rural electrification .....   | h/ 414,000,000: | i/ 179,000,000: | i/ 179,000,000: | i/ 179,000,000: |  |  |  |  | - - |
| Rural telephone .....   | j/ 100,000,000: | k/ 60,000,000:  | k/ 60,000,000:  | k/ 60,000,000:  |  |  |  |  | - - |
| Total, Rural Electrification Administration .....   | 514,000,000:    | 239,000,000:    | 239,000,000:    | 239,000,000:    |  |  |  |  | - - |

|   |     |                |              |              |              |
|---|-----|----------------|--------------|--------------|--------------|
| Farmers' Home Administration Loans:               | :   | :              | :            | :            | :            |
| Farm ownership .....                              | :1/ | 50,000,000:    | 50,000,000:  | 24,000,000:  | 24,000,000:  |
| Farm housing .....                                | :   | 450,000,000:   | - - :        | - - :        | - - :        |
| Farm operating (production and subsistence) ..... | :   | 180,000,000:   | 180,000,000: | 180,000,000: | 180,000,000: |
| Soil and water conservation .....                 | :   | 5,500,000:     | 5,500,000:   | 5,500,000:   | 5,500,000:   |
| Total, Farmers' Home Administra-                  | :   | :              | :            | :            | :            |
| tion .....  | :   | 685,500,000:   | 235,500,000: | 209,500,000: | 209,500,000: |
| Total, Loan Authorizations .....                  | :   | 1,199,500,000: | 474,500,000: | 448,500,000: | 448,500,000: |

- a/ Includes \$950,000 for Plant and Animal Disease and Pest Control provided in Second Urgent Deficiency Appropriation Act, 1957, to be derived by transfer from other appropriations of the Department.
- b/ Includes \$250,000 for penalty mail cost to be derived by transfer as indicated in the pending Third Supplemental Appropriation Bill, 1957 (H. Doc. 115).
- c/ Includes \$514,000 for penalty mail costs to be derived by transfer as indicated in the pending Third Supplemental Appropriation Bill, 1957 (H. Doc. 115).
- d/ The Senate Bill contains a provision limiting payments to producers under the Conservation Reserve Program to not to exceed \$350,000,000 in any calendar year; House Bill provided \$250,000,000; Soil Bank Act provides \$450,000,000.
- e/ Senate Bill includes advance authorization of \$500,000,000 for formulating and administering an acreage reserve program with respect to the 1958 crops; House Bill includes a provision prohibiting the formulation and administration of an acreage reserve program on 1958 crops.
- f/ Includes \$23,400 for "Salaries and Expenses, Office of the Secretary of Agriculture" for cost of Federal Executive Pay Act in the pending Third Supplemental Appropriation Bill, 1957.
- g/ Includes supplemental authorization of \$2,000,000 in the pending Third Supplemental Appropriation Bill, 1957.
- h/ Includes supplemental loan authorization of \$200,000,000 provided in the Second Urgent Deficiency Appropriation Act, 1957. Including the carryover of funds from prior years it is estimated that electrification loans amounting to \$340,000,000 will be made in fiscal year 1957. The Appropriation Act for 1957 includes a reserve authorization of \$25,000,000 for use to the extent necessary for the expeditious and orderly development of the rural electrification program.
- i/ Includes a proposed reserve authorization of \$20,000,000. Including the carryover of funds from prior years it is estimated that electrification loans amounting to \$280,000,000 will be made in fiscal year 1958.
- j/ Includes reserve authorization of \$20,000,000 for use to the extent necessary for the expeditious and orderly development of the rural telephone program. Including the carryover of funds from prior years, it is estimated that telephone loans amounting to \$80,000,000 will be made in fiscal year 1957.
- k/ Includes a proposed reserve authorization of \$10,000,000. Including the carryover of funds from prior years, it is estimated that telephone loans amounting to \$80,000,000 will be made in 1958.
- l/ Includes supplemental authorization of \$26,000,000 included in the pending ~~Third~~ Supplemental Appropriation Bill, 1957.





# AGRICULTURAL AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

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JUNE 7, 1957.—Ordered to be printed

Filed under authority of the order of the Senate of May 13, 1957

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Mr. RUSSELL, from the Committee on Appropriations, submitted the following

## REPORT

[To accompany H. R. 7441]

The Committee on Appropriations, to whom was referred the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

|   |                    |
|---|--------------------|
| Amount of bill as passed House (direct appropriations)----- | \$3, 692, 889, 757 |
| Amount of decrease by Senate committee (net)-----           | 24, 157, 600       |
| Amount of bill as reported to Senate-----                   | 3, 668, 732, 157   |
| Amount of appropriations, 1957-----                         | 2, 026, 689, 968   |
| Amount of estimates for 1958-----                           | 3, 965, 446, 617   |
| The bill as reported to the Senate:                         |                    |
| Over the appropriations for 1957-----                       | 1, 642, 042, 189   |
| Under the estimates for 1958-----                           | 296, 714, 460      |



## GENERAL STATEMENT

The amount of the bill as it passed the House was \$3,692,889,757, of which \$1,610,024,848 is appropriated for regular activities, \$1,239,788,671 is appropriated for restoration of capital impairment to Commodity Credit Corporation, and \$843,076,238 is appropriated for special activities to reimburse the Commodity Credit Corporation.

The Senate committee recommends increases of \$13,287,400 and decreases of \$37,445,000 for a net decrease of \$24,157,600.

The net increase of \$1,642,042,189 in the bill compared with appropriations for 1957 is comprised primarily of \$762,940,000 for soil bank activities, which for 1957 were financed from capital funds of the Commodity Credit Corporation; and an increase of \$297,501,493 to restore capital impairment of the Commodity Credit Corporation for realized losses sustained in fiscal year 1956.

There is an increase over 1957 in "Special activities" of \$572,226,556 for reimbursements to Commodity Credit Corporation, primarily for sales for foreign currencies under Public Law 480, approved July 10, 1954; for the international wheat agreement; for emergency famine relief to friendly peoples, and for animal disease eradication programs.

The bill carries an increase over 1957 of \$19,399,515 for mandatory retirement fund contributions pursuant to Public Law 854, approved July 31, 1956.

## TITLE I—REGULAR ACTIVITIES

## AGRICULTURAL RESEARCH SERVICE

## RESEARCH

The committee recommends \$58,794,890 for research, an increase of \$9,800,000 above the House bill. This increase consists of \$2 million for utilization research and to strengthen research in carrot breeding, and \$7,800,000 for soil and water conservation research. The House bill included \$7,200,000 for soil and water conservation under a consolidated appropriation of "Soil and water conservation" which the committee has stricken from the bill.

The committee approves the construction of buildings and laboratory facilities in the budget estimate and has approved the establishment of three new soil and water laboratory facilities: 1 to be located in one of the "Reclamation States" as defined in the Reclamation Act of 1902, as amended; 1 in the Midwest; and 1 for Mississippi the site for which shall be chosen by the Secretary of Agriculture after his investigation and consultation with all interested groups, interested educational institutions, and other parties. The committee has also approved construction of facilities needed at the Southern Piedmont Soil Conservation Experiment Station together with funds to strengthen existing research at the station.

The committee recommends the following proviso be stricken:

*Provided, That not to exceed \$25,000 shall be available for alterations of buildings, without regard to limitations prescribed herein*

The following proviso is inserted to provide authorization to carry out construction and alterations authorized:

*Provided, That the limitations contained herein shall not apply to \$1,955,000 for the construction of buildings or to replace-*

*ment of buildings needed to carry out the Act of April 24, 1948  
(21 U. S. C. 113a)*

## PLANT AND ANIMAL DISEASE AND PEST CONTROL

The committee recommends \$26,082,000, an increase of \$400,000 over the House bill, to strengthen plant quarantine at ports of entry. The partial restoration is \$870,000 below the budget estimate.

### FIRE ANT

The committee recommends that the Department undertake an eradication program on the fire ant. It now has legislative authority to do so and the committee expects to receive proposals and plans on this program.

### SCREWORM ERADICATION

The committee increased funds 2 years ago to step up research on eradication of the screwworm. It understands the Department now has completed its research on eradication methods and procedures.

The State of Florida which has recently suffered its greatest loss from this pest since invasion of the pest in 1933 has appropriated substantial funds to participate in cost sharing for an eradication program. The committee requests the Department to provide it with a report on its plans and recommendations for undertaking an eradication program.

### STATE EXPERIMENT STATIONS

For payments to agricultural experiment stations for research \$30,503,708 is recommended which is \$1,000,000 above the House bill, a partial restoration of an increase of \$4,500,000 requested in the budget estimates.

### EXTENSION SERVICE

#### COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

The committee recommends \$50,865,000, an increase of \$1,764,000 over the House bill and \$3,500,000 below the budget estimate.

Not to exceed \$500,000 of the increase of \$1,764,000 may be expended for rural development work in States which heretofore have had no rural development program.

### AGRICULTURAL MARKETING SERVICE

#### MARKETING RESEARCH AND AGRICULTURAL ESTIMATES

The committee recommends \$14,141,700, an increase of \$100,000 over the House bill, and \$1,340,800 below the increases requested in the budget.

The partial restoration of \$100,000 is recommended to continue weekly weather crop reports and to improve estimates of poultry laying flocks and egg production.

The committee wishes to facilitate in every possible way research on production and marketing. It doubts the advisability of such projects as recently reported under "Highway transportation barri-



ers" and requests the agency to carefully review its research projects so as to undertake only those projects which are essential and proper.

#### MARKETING SERVICES

The committee recommends \$14,324,900, an increase of \$50,000 over the House bill and \$861,000 below the budget estimate.

The increase of \$50,000 is a partial restoration of \$178,000 requested to strengthen administration of the Packers and Stockyards Act. The committee believes that administration of this act should be continued in the Department of Agriculture.

The committee is advised the livestock market at Sioux Falls, S. Dak., has recently been placed in category I, and believes it deserves treatment similar to other markets in this category.

#### FOREIGN AGRICULTURAL SERVICE

The committee recommends \$4,052,300, an increase of \$150,000 over the House bill and \$331,200 below the budget estimate.

The partial restoration of \$150,000 will enable the agency to carry out home leave requirements customarily granted to employees after 2-year tours of service abroad.

The committee has also approved the following proviso in the budget estimate, and stricken in the House. The proviso authorizes the agency to carry out activities which heretofore were provided by authority in State Department Appropriation Acts and which will not be available after June 30, 1957.

*Provided further, That provisions of the Act of August 1, 1956 (70 Stat. 890-892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitates the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.*

#### COMMODITY STABILIZATION SERVICE

This agency is responsible for administration of the acreage and allotment programs, price support, soil bank, and related program activities which are carried out through the State ASC and county committees, and except for the soil bank has had several years of experience in formulating and conducting these programs.

Last year the committee approved funds to increase salaries and strengthen qualifications of county committee employees. Adequate compensation for county employees is essential to the recruitment and retention of qualified employees. The committee has found that salary increases granted have not resulted in a corresponding increase in qualification requirements comparable with other local agricultural activities.

In order to achieve efficiency from county committee personnel it is essential that they be provided with timely and clear-cut procedures to facilitate county office operations.

The committee believes significant savings can be made by consolidating, simplifying, and standardizing forms and procedures. County committees should be provided with the details of program changes

concurrently with their announcement by the Washington office and thereby eliminate delays and administrative costs which result from inability of county committees to promptly advise farmers of program changes. The performance checking procedures should be revised to reduce the administrative cost and to curtail unneeded multiple performance checking.

The committee recommends that in administering the administrative expense limitations for programs carried out by State and county ASC committees that the intent of limitations be carried out in order to provide the required amount of funds necessary to strengthen State and county operations.

#### ACREAGE ALLOTMENTS AND QUOTAS

The committee recommends \$40,715,000, the amount in the House bill, and a reduction of \$2,285,000 from the budget estimate.

#### OFFICE OF THE SECRETARY

The committee recommends \$2,664,060, an increase of \$23,400, over the House bill, and \$61,940 below the budget estimate.

The partial restoration of \$23,400 will enable this office to meet mandatory increases resulting from the Federal executive pay law (Public Law 854) and may provide sufficient funds to permit better coordination and leadership to the rural development program

#### SOIL AND WATER CONSERVATION PROGRAMS

The House bill provided a consolidation of appropriations for the Soil Conservation Service, the new Great Plains program, the agricultural conservation program, the conservation reserve program of the soil bank, and for research on soil and water conservation. The House bill provided a lump-sum appropriation of \$535 million to meet budget activities totaling \$668,441,660.

The committee fully agrees with the House on the need for closer coordination between these programs. It believes the Department should make every effort to coordinate and bring about effective and efficient administration of related programs.

The committee believes that Congress has the responsibility for making a determination of fund requirements for individual program activities and has therefore stricken the entire section under "Soil and water conservation" beginning on page 16, after line 9, through line 16 of page 20, and has inserted appropriate appropriation heads and language to restore the individual items contained in the budget estimates and as modified by committee amendments:

#### SOIL AND WATER CONSERVATION

For necessary expenses to carry out soil and water conservation programs authorized in the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590a-590q), the Watershed Protection and Flood Prevention Act, as amended (16 U. S. C. 1001-1007), the Flood Control Act, as amended and supplemented (33 U. S. C. 701-709), subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-



1837 and 1802-1814), the Acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033-1039), \$535,000,000, to remain available until expended: *Provided*, That not to exceed \$40,000,000 shall be available for administrative expenses in carrying out sections 7-17 of the Soil Conservation and Domestic Allotment Act and subtitles B and C of the Soil Bank Act of which not less than \$30,000,000 may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That not to exceed \$7,200,000 shall be transferred to and merged with the appropriation "Salaries and expenses, Agricultural Research Service, Research" for soil and water conservation research, of which \$1,200,000 shall be available for construction of buildings and for the acquisition of necessary land therefor, and not to exceed \$20,000 for alterations of buildings, without regard to limitations prescribed in this Act: *Provided further*, That this appropriation shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed \$10,000 and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or 3 per centum of the cost of the building, whichever is greater; not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and for the temporary employment of qualified local engineers at per diem rates to perform the technical planning work: *Provided further*, That the unexpended balances of appropriations heretofore made for "Watershed protection", "Flood prevention", and "Water conservation and utilization projects" shall be merged with this appropriation: *Provided further*, That programs included hereunder shall be subject to the following additional provisions:

Agricultural conservation program: This appropriation shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil building and soil and water conservation practices under sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (amounting to \$250,000,000, including administration, and no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community); and for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein. Not to exceed 5 per centum of all the

allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions.

Conservation reserve program: No part of this appropriation shall be used to enter into contracts with producers which together with contracts already entered into would require payments to producers (including the cost of materials and services) in excess of \$250,000,000 in any calendar year, and for purposes of applying this limitation, practice payments shall be chargeable to the first year of the contract period.

Conservation operations, Soil Conservation Service: This appropriation shall be available for preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; and classification and mapping of soils: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State under sections 1 to 6 of the Soil Conservation and Domestic Allotment Act, as amended, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district.

Flood prevention: No part of the funds expended in accordance with the Flood Control Act, as amended and supplemented, shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated.

The committee inserts in lieu thereof the following:

#### SOIL CONSERVATION SERVICE

##### CONSERVATION OPERATIONS

*For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), including preparation of conservation plans and establishment of measures to*



conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft; \$73,545,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U. S. C. 590a-590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

#### WATERSHED PROTECTION

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954 (16 U. S. C. 1001-1007), and the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), to remain available until expended \$25,500,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes.

# FLOOD PREVENTION

*For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U. S. C. 701-709), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), to remain available until expended, \$13,220,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: Provided, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated.*

## WATER CONSERVATION AND UTILIZATION PROJECTS

*For expenses necessary to carry out the functions of the Department under the Acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033-1039), relating to water conservation and utilization projects, to remain available until expended, \$350,000, which sum shall be merged with the unexpended balances of funds heretofore appropriated to said Department for the purpose of said Acts.*

## GREAT PLAINS CONSERVATION PROGRAM

*For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16 (b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (70 Stat. 1115-1117), \$10,000,000, to remain available until expended.*

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

*For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590 (o), 590p (a)-590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$237,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, carried out during the period July 1, 1956, to December 31, 1957, inclusive: Provided, That not to exceed \$24,698,000 of the total sum provided under this head*



shall be available during the current fiscal year for administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,025,800 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": Provided further, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: Provided further, That such amount shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil-building and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, and no participant shall receive more than \$1,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): Provided further, That not to exceed 5 per centum of the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: Provided further, That for the 1958 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: Provided further, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: Provided further, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation

*or appropriation by Congress except upon request of any Member or through the proper official channels.*

### SOIL BANK PROGRAM

#### CONSERVATION RESERVE PROGRAM

*For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-1837 and 1802-1814) \$162,940,000: Provided, That not to exceed \$18,000,000 shall be available for administrative expenses of which not less than \$13,500,000 may be transferred to the appropriation account, "Local administration, section 388, Agricultural Adjustment Act of 1938": Provided further, That no part of this appropriation shall be used to enter into contracts with producers which together with contracts already entered into would require payments to producers (including the cost of materials and services) in excess of \$350,000,000 in any calendar year, and for purposes of applying this limitation, practice payments shall be chargeable to the first year of the contract period: Provided further, That the average annual rental payment per acre shall not exceed \$7.50 per acre for conservation reserve contracts entered into thirty days after approval of this Act.*

### SOIL CONSERVATION SERVICE

#### CONSERVATION OPERATIONS

The committee recommends \$73,545,000, an increase of \$6,045,000 over 1957 as requested in the budget estimates.

Of the increase of \$6,045,000, the amount of \$3,351,750 is for retirement contributions with a net increase of \$2,693,250 to provide technical assistance to new soil conservation districts, to accelerate soil surveys and extend technical assistance to low income farms.

### WATERSHED PROTECTION

The committee recommends \$25,500,000, the budget estimate, an increase of \$8,000,000 over 1957. The committee is advised that \$4,500,000 will be carried over from 1957, making \$30,000,000 available for next year's program.

### FLOOD PREVENTION

The committee recommends \$13,220,000, the budget estimate, an increase of \$1,220,000 over 1957, to accelerate installation of works of improvement.

The committee has considered the question of funds required for the Chickasha Reservoir project. It understands that the Corps of Engineers and the Soil Conservation Service have agreed that \$248,747 of the \$2,748,368 to be available for the Washita project would be required to construct a multipurpose reservoir on Spring Creek by the city of Chickasha, Okla. The committee agrees to the joint recommendation of the Soil Conservation Service and Corps of



Engineers as to the desirability of this construction and recommends the construction agreed upon.

### WATER CONSERVATION AND UTILIZATION PROJECTS

The committee recommends \$350,000, the budget estimate, an increase of \$118,000 over 1957, to continue land development on the project at Eden, Wyo.

### GREAT PLAINS CONSERVATION PROGRAM

The committee recommends \$10,000,000, a decrease of \$10,000,000 below the budget estimate of \$20,000,000.

The amount recommended will enable the Department to inaugurate this program for which plans have not yet been formulated.

### AGRICULTURAL CONSERVATION PROGRAM SERVICE

The committee recommends an appropriation of \$212,000,000 to finance the 1957 program of \$250,000,000 which was authorized in the 1957 appropriation act. There is a balance of \$38,000,000 available under the 1955 program to provide the full \$250,000,000 required.

The committee recommends an advance authorization of \$250,000,000 for the 1958 program.

The committee has provided an administrative expense limitation of \$24,698,000, of which not more than \$5,025,800 may be transferred to section 392 for costs of National and State administration. This is the amount provided for 1957 and is \$1,704,400 below the budget estimate.

The committee has restored the limitation of \$1,500 which any participant may receive from the program. This restores the amount in the law for 1957, and the amount requested in the budget estimate; and strikes out an amendment inserted in the House to increase the limitation on payments from \$1,500 to \$2,500.

### SOIL BANK PROGRAMS

#### CONSERVATION RESERVE PROGRAM

The committee recommends an appropriation of \$162,940,000 for fiscal 1958 to make annual and practice payments, and to administer the program. The revised budget requested \$298,826,660, and the amount recommended is \$135,886,660 below the estimates. In fiscal 1957 the program was financed from capital funds of the Commodity Credit Corporation pursuant to authority in the Soil Bank Act, 1956.

The committee recommends \$18,000,000 for administrative and technical expenses, and of this amount not to exceed \$4,500,000 may be used for State and National office administration.

The committee agrees with the House that the \$5,000,000 proposed for expansion of nurseries will not be needed due to the slow rate of signup for practices requiring seedling stock.

The House bill provided a limitation on the program of \$250,000,000. The committee recommends a program limitation of \$350,000,000, an increase of \$100,000,000 above the House bill.

The committee has inserted the following proviso:

*Provided further, That the average annual rental payment per acre shall not exceed \$7.50 per acre for conservation reserve contracts entered into thirty days after approval of this Act.*

The committee recommendation is made to provide more realistic annual payment rates under the program. The formula used by the Department has resulted in establishing rates too high in some States, particularly for long-term contracts.

The committee believes this program has merit if carefully administered to avoid abuses and participation for speculative purposes which have been reported to the committee.

#### ACREAGE RESERVE PROGRAM

The committee recommends an appropriation of \$600,000,000, the same amount as the House bill, and a decrease of \$101,173,340 from the budget estimate of \$701,173,340.

The committee recommends not to exceed \$34,500,000 for administrative expenses. It is expected that with experience gained in developing and administering the 1956 and 1957 programs that some of this limitation will be available for program payments.

The committee recommends that the following proviso in the House bill beginning on page 20, line 21 after the colon be stricken:

*Provided, That no part of this appropriation shall be used to formulate and administer an acreage reserve program with respect to the 1958 crops; or in total compensation being paid to any one producer in excess of \$2,500 with respect to the 1958 crops*

The committee recommends insertion of the following provisions:

*Provided, That not to exceed \$34,500,000 of the total sum provided under this head shall be available for administrative expenses: Provided further, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of \$500,000,000 with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of \$5,000 with respect to the 1958 crops*

The committee amendment provides authorization to formulate and administer a program for 1958 crops of not to exceed \$500,000,000.

Under present circumstances there appears to be little or no possibility of getting new farm legislation approved during this session of Congress. There is some doubt that the acreage reserve program will achieve its objective of reducing surpluses. The Department has requested restoration of a \$750,000,000 program for 1958.

The committee recommendation will provide authority to plan a 1958 program, but unless the 1957 program proves to be more successful than anticipated it is doubtful that authorization will be given for a 1959 program.

The committee recommendation provides an opportunity to the legislative committees, and to the Department to evaluate the effectiveness of the acreage reserve program, and provide new legislation prior to this committee's action on the 1959 program.



## TITLE II—CORPORATIONS

## COMMODITY CREDIT CORPORATION

## ADMINISTRATIVE EXPENSE LIMITATION

The committee recommends \$34,398,000, an increase of \$1,000,000 above the House bill, and \$3,002,000 below the budget estimate. The increase in limitation is authorized for the contingency reserve.

## TITLE IV—RELATED AGENCIES

## FARM CREDIT ADMINISTRATION

The bill includes a total for administrative expense limitations of \$5,575,000, of which \$2,200,000 is for the Farm Credit Administration and \$3,375,000 for the Federal Intermediate Credit banks.

The amount recommended is the same as the budget estimate and the amount in the House bill and is a decrease in limitations of \$781,000 from the amounts authorized in 1957.

The committee has approved the provision in the budget estimate and the House bill for the liquidation of the Federal Farm Mortgage Corporation, and to enable said corporation to continue administration of its reserved mineral interests.

PERMANENT AUTHORIZATIONS

|   | Authorizations,<br>1957 | Estimates, 1958 | Increase or de-<br>crease |
|---|-------------------------|-----------------|---------------------------|
| Agricultural Marketing Service:                                       |                         |                 |                           |
| Removal of surplus agricultural commodities <sup>1</sup> .....        | \$199, 976, 003         | \$223, 500, 000 | +\$23, 523, 997           |
| Perishable Agricultural Commodities Act Fund <sup>2</sup> .....       | 546, 000                | 675, 000        | + 129, 000                |
| Total Agricultural Marketing Service.....                             | 200, 522, 003           | 224, 175, 000   | +23, 652, 997             |
| Commodity Stabilization Service: National Wool Act <sup>2</sup> ..... | 2, 020, 975             | 35, 000, 000    | +32, 979, 025             |
| Total, Permanent appropriations.....                                  | 202, 542, 978           | 259, 175, 000   | +56, 632, 022             |

<sup>1</sup> General fund accounts.

<sup>2</sup> Special fund accounts.



## LOAN AUTHORIZATIONS

|  | Authoriza-<br>tions, 1957 | Estimates,<br>1958 | Recommended<br>in House bill | Amount rec-<br>ommended<br>by Senate<br>committee | Increase (+) or decrease (-) Senate bill<br>compared with— |                    |
|--|---------------------------|--------------------|------------------------------|---|--|--------------------|
|  |                           |                    |                              |   | Authoriza-<br>tions, 1957                                  | Estimates,<br>1958 |
| Rural Electrification Administration:            |                           |                    |                              |   |  |                    |
| Electrification.....                             | 1 \$414,000,000           | \$179,000,000      | \$179,000,000                | \$179,000,000                                     | —\$235,000,000   | -----              |
| Telephone.....                                   | 100,000,000               | 60,000,000         | 60,000,000                   | 60,000,000  | —40,000,000  | -----              |
| Total Rural Electrification Administration.....  | 514,000,000               | 239,000,000        | 239,000,000                  | 239,000,000                                       | —275,000,000   | -----              |
| Farmers' Home Administration:                    |                           |                    |                              |   |  |                    |
| Farm ownership and farm housing.....             | 2 474,000,000             | 50,000,000         | 24,000,000                   | 24,000,000  | —450,000,000   | —\$26,000,000      |
| Farm operation (production and subsistence)..... | 180,000,000               | 180,000,000        | 180,000,000                  | 180,000,000                                       | -----  | -----              |
| Soil and water conservation.....                 | 5,500,000                 | 5,500,000          | 5,500,000                    | 5,500,000   | -----  | -----              |
| Total Farmers' Home Administration.....          | 659,500,000               | 235,500,000        | 209,500,000                  | 209,500,000                                       | —450,000,000   | -----              |
| Total loan authorization.....                    | 1,173,500,000             | 474,500,000        | 448,500,000                  | 448,500,000                                       | —725,000,000   | -----              |

<sup>1</sup> Includes \$200,000,000 additional authorized in Second Urgent Deficiency Appropriation Act, 1957.

<sup>2</sup> Includes \$450,000,000 authorized in Public Law 1020 for farm housing loans for use during fiscal years 1957 to 1961, inclusive, of which \$50,000,000 is programmed for use in fiscal 1958. In addition to this amount, the third supplemental bill, 1957 includes \$26,000,000 for farm ownership loans.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1957 AND ESTIMATES AND AMOUNTS RECOMMENDED  
IN BILL FOR 1958

REGULAR ACTIVITIES (TITLE I)

| Agency and item  | Appropriation,<br>1957 | Estimates,<br>1958 | Recommended<br>in House bill<br>(including re-<br>tirement fund<br>contributions) | Amount rec-<br>ommended<br>by Senate<br>committee | Increase (+) or decrease (-), Senate bill<br>compared with— |                    |              |
|--|------------------------|--------------------|---|---|---|--------------------|--------------|
|  |                        |                    |   |   | Appropriations,<br>1957                                     | Estimates,<br>1958 | House bill   |
| Agricultural Research Service:                           |                        |                    |   |   |   |                    |              |
| Salaries and expenses:                                   |                        |                    |   |   |   |                    |              |
| Research.....  | \$53,786,000           | \$60,875,000       | \$48,994,890  | \$58,794,890                                      | +\$5,008,890  | -\$2,080,110       | +\$9,800,000 |
| Plant and animal disease and pest control.....           | 28,794,000             | 26,952,000         | 25,682,000  | 26,082,000  | -2,712,000  | -870,000           | +400,000     |
| Meat inspection.....                                     | 15,650,000             | 18,718,000         | 16,586,000  | 16,586,000  | +936,000  | -2,132,000         | -----        |
| Total, salaries and expenses.....                        | 98,230,000             | 106,545,000        | 91,262,890  | 101,462,890                                       | +3,232,890  | -5,082,110         | +10,200,000  |
| State experiment stations:                               |                        |                    |   |   |   |                    |              |
| Payments to States, Hawaii, Alaska, and Puerto Rico..... | 29,503,708             | 34,003,708         | 29,503,708  | 30,503,708  | +1,000,000  | -3,500,000         | +1,000,000   |
| Penalty mail.....  | 1,250,000              | 250,000            | 250,000   | 250,000   | -----   | -----              | -----        |
| Total, State experiment stations.....                    | 29,753,708             | 34,253,708         | 29,753,708  | 30,753,708  | +1,000,000  | -3,500,000         | +1,000,000   |
| Animal disease laboratory facilities.....                | 16,250,000             | 0                  | -----   | -----   | -16,250,000   | -----              | -----        |
| Total, Agricultural Research Service.....                | 144,233,708            | 140,798,708        | 121,016,598   | 132,216,598                                       | -12,017,110   | -8,582,110         | +11,200,000  |
| Extension Service:                                       |                        |                    |   |   |   |                    |              |
| Payments to States, Hawaii, Alaska, and Puerto Rico..... | 1,49,101,000           | 54,365,000         | 49,101,000  | 50,865,000  | +1,764,000  | -3,500,000         | +1,764,000   |
| Retirement costs for extension agents.....               | 0                      | 5,260,000          | 5,260,000   | 5,260,000   | +5,260,000  | -----              | -----        |
| Penalty mail.....  | 12,164,000             | 2,164,000          | 2,164,000   | 2,164,000   | -----   | -----              | -----        |
| Federal Extension Service.....                           | 2,000,000              | 2,341,000          | 2,096,540   | 2,096,540   | +96,540   | -244,460           | -----        |
| Total, Extension Service.....                            | 53,265,000             | 64,130,000         | 58,621,540  | 60,385,540  | +7,120,540  | -3,744,460         | +1,764,000   |

1 Third supplemental appropriation bill, 1957, now pending includes \$250,000 for for State extension services, to be derived by transfer from "Payments to States, etc.," penalty, mail costs of State experiment stations and additional \$514,000 for penalty mail Extension Service.



*Comparative Statement of Appropriations for 1957 and Estimates and Amounts Recommended in Bill for 1958—Continued*

**REGULAR ACTIVITIES (TITLE I)—Continued**

| Agency and item  | Appropriation,<br>1957 | Estimates,<br>1958 | Recommended<br>in House bill<br>(including re-<br>tirement fund<br>contributions) | Amount rec-<br>ommended<br>by Senate<br>committee | Increase (+) or decrease (—), Senate bill<br>compared with— |                    |            |
|--|------------------------|--------------------|---|---|---|--------------------|------------|
|  |                        |                    |   |   | Appropriations,<br>1957                                     | Estimates,<br>1958 | House bill |
| Farmer Cooperative Service.....                                  | \$550,000              | \$578,000          | \$578,000   | \$578,000   | +\$28,000   |                    |            |
| Agricultural Marketing Service:                                  |                        |                    |   |   |   |                    |            |
| Marketing Research and Service:                                  |                        |                    |   |   |   |                    |            |
| Marketing research and agriculture estimates.....                | 13,437,000             | 15,482,500         | 14,041,700  | 14,141,700  | +704,700  | —\$1,340,800       | +\$100,000 |
| Marketing services.....  | 13,020,000             | 15,186,000         | 14,274,900  | 14,324,900  | +1,304,900  | —861,100           | +50,000    |
| Total, Marketing research and service.....                       | 26,457,000             | 30,668,500         | 28,316,600  | 28,466,600  | +2,009,600  | —2,201,900         | +150,000   |
| Payments to States, Territories, and possessions.....            | 1,160,000              | 1,280,000          | 1,160,000   | 1,160,000   |   | —100,000           |            |
| School-lunch program.....  | 100,000,000            | 100,000,000        | 100,000,000   | 100,000,000                                       |   |                    |            |
| Total, Agricultural Marketing Service.....                       | 127,617,000            | 131,928,500        | 129,476,600   | 129,626,600                                       | +2,009,600  | —2,301,900         | +150,000   |
| Foreign Agricultural Service.....                                | 3,750,000              | 4,383,500          | 3,902,300   | 4,052,300   | +302,300  | —331,200           | +150,000   |
| Commodity Exchange Authority.....                                | 787,400                | 832,000            | 832,000   | 832,000   | +44,600   |                    |            |
| Commodity Stabilization Service:                                 |                        |                    |   |   |   |                    |            |
| Acreage allotments and marketing quotas.....                     | 40,963,000             | 43,000,000         | 40,715,000  | 40,715,000  | —248,000  | —2,285,000         |            |
| Sugar Act program.....   | 67,600,000             | 72,200,000         | 67,662,500  | 67,662,500  | +62,500   | —4,537,500         |            |
| Total, Commodity Stabilization.....                              | 108,563,000            | 115,200,000        | 108,377,500   | 108,377,500                                       | —185,500  | —6,822,500         |            |
| Federal crop insurance.....                                      | 6,210,000              | 7,300,000          | 6,376,700   | 6,376,700   | +166,700  | —923,300           |            |
| Rural Electrification Administration, salaries and expenses..... | 8,600,000              | 9,629,000          | 9,030,950   | 9,030,950   | +430,950  | —598,050           |            |
| Farmers' Home Administration, salaries and expenses.....         | 27,750,000             | 30,000,000         | 29,089,500  | 29,089,500  | +1,339,500  | —910,500           |            |
| Office of General Counsel.....                                   | 2,785,000              | 3,172,000          | 2,943,000   | 2,943,000   | +158,000  | —229,000           |            |

|  |                            |               |               |               |              |              |             |
|--|----------------------------|---------------|---------------|---------------|--------------|--------------|-------------|
| Office of Secretary.....                         | 2,500,000                  | 2,726,000     | 2,640,660     | 2,664,060     | +164,060     | -61,940      | +23,400     |
| Office of Information.....                       | 1,325,000                  | 1,465,000     | 1,367,500     | 1,367,500     | +42,500      | -97,500      | -----       |
| Library.....                                     | 735,000                    | 824,000       | 772,000       | 772,000       | +37,000      | -52,000      | -----       |
| Soil and water conservation:                     |                            |               |               |               |              |              |             |
| Soil Conservation Service:                       |                            |               |               |               |              |              |             |
| Conservation operations.....                     | 67,500,000                 | 73,545,000    | -----         | 73,545,000    | +6,045,000   | -----        | -----       |
| Watershed protection.....                        | 17,500,000                 | 25,500,000    | -----         | 25,500,000    | +8,000,000   | -----        | -----       |
| Flood prevention.....                            | 12,000,000                 | 13,220,000    | -----         | 13,220,000    | +1,220,000   | -----        | -----       |
| Water conservation and utilization projects..... | 232,000                    | 350,000       | -----         | 350,000       | +118,000     | -----        | -----       |
| Total, Soil Conservation Service.....            | 97,232,000                 | 112,615,000   | -----         | 112,615,000   | +15,383,000  | -----        | -----       |
| Great Plains program.....                        | -----                      | 20,000,000    | -----         | 10,000,000    | +10,000,000  | -10,000,000  | -----       |
| Agricultural conservation program.....           | 227,500,000                | 237,000,000   | -----         | 212,000,000   | -15,500,000  | -25,000,000  | -----       |
| Conservation reserve program, soil bank.....     | <sup>2</sup> (450,000,000) | 298,826,660   | -----         | 162,940,000   | +162,940,000 | -135,886,660 | -----       |
| Total, soil and water conservation:              |                            |               |               |               |              |              |             |
| On appropriation basis.....                      | 324,732,000                | 668,441,660   | 535,000,000   | 497,555,000   | +172,823,000 | -170,886,660 | -37,445,000 |
| On comparative basis.....                        | 774,732,000                | 668,441,660   | 535,000,000   | 497,555,000   | -277,177,000 | -170,886,660 | -37,445,000 |
| Acreage reserve program, soil bank:              |                            |               |               |               |              |              |             |
| On appropriation basis.....                      | -----                      | 701,173,340   | 600,000,000   | 600,000,000   | +600,000,000 | -101,173,340 | -----       |
| On comparative basis.....                        | <sup>2</sup> (750,000,000) | 701,173,340   | 600,000,000   | 600,000,000   | -150,000,000 | -101,173,340 | -----       |
| Total, regular activities:                       |                            |               |               |               |              |              |             |
| On appropriation basis.....                      | 813,403,108                | 1,882,581,708 | 1,610,024,848 | 1,585,867,248 | +772,464,140 | -296,714,460 | -24,157,000 |
| On comparative basis.....                        | <sup>3</sup> 2,013,403,108 | 1,882,581,708 | 1,610,024,848 | 1,585,867,248 | -427,535,860 | -296,714,460 | -24,157,600 |

<sup>2</sup> 1st year's program authorized to be financed from Commodity Credit Corporation funds in lieu of direct appropriation, with subsequent reimbursement to CCC. <sup>3</sup> Includes authorized spending from CCC for 1957 soil bank.



## CORPORATIONS (TITLE II)

| Agency and item                        | Appropriations,<br>1957 | Estimates,<br>1958 | Recommended<br>in House bill<br>(including re-<br>tirement fund<br>contributions) | Amount rec-<br>ommended<br>by Senate<br>committee | Increase (+) or decrease (-) Senate bill<br>compared with— |                    |              |
|--|-------------------------|--------------------|---|---|--|--------------------|--------------|
|  |                         |                    |   |   | Appropriations,<br>1957                                    | Estimates,<br>1958 | House bill   |
| Federal Crop Insurance Corp.:          |                         |                    |   |   |  |                    |              |
| Subscription to capital stock.....     | \$13,000,000            | 0                  |   |   | —\$13,000,000  |                    |              |
| Administrative expense limitation..... | (2,000,000)             | (\$2,000,000)      | (\$2,000,000)   | (\$2,000,000)                                     |  |                    |              |
| Commodity Credit Corp.:                |                         |                    |   |   |  |                    |              |
| Restoration of capital impairment..... | 929,287,178             | 1,239,788,671      | 1,239,788,671   | 1,239,788,671                                     | +310,501,493   |                    |              |
| Administrative expense limitation..... | 4 (33,000,000)          | (38,400,000)       | (34,398,000)  | (35,398,000)                                      | (+2,398,000)   | (-3,002,000)       | (+1,000,000) |
| Total, corporations.....               | 942,287,178             | 1,239,788,671      | 1,239,788,671   | 1,239,788,671                                     | +297,501,493   |                    |              |

4 Third supplemental appropriation bill now pending includes additional \$2,000,000 authorization.

SPECIAL ACTIVITIES (TITLE III)

| Agency and Item                                 | Appropriations,<br>1957 | Estimates,<br>1958 | Recommended<br>in House bill<br>(including re-<br>tirement fund<br>contributions) | Amount rec-<br>ommended<br>by Senate<br>committee | Increase (+) or decrease (—) Senate bill<br>compared with— |                    |            |
|---|-------------------------|--------------------|---|---|--|--------------------|------------|
|   |                         |                    |   |   | Appropriations,<br>1957                                    | Estimates,<br>1958 | House bill |
| Reimbursements to Commodity Credit Corporation: |                         |                    |   |   |  |                    |            |
| Animal disease eradication                      | \$13,060,954            | \$18,581,660       | \$18,581,660  | \$18,581,660                                      | + \$5,520,706  |                    |            |
| Grading and classing                            | 367,740                 | 80,449             | 80,449  | 80,449  | — 287,291  |                    |            |
| Special commodity disposal                      | 257,420,988             | 824,414,129        | 824,414,129   | 824,414,129                                       | + 566,993,141  |                    |            |
| Total reimbursements to CCC                     | 270,849,082             | 843,076,238        | 843,076,238   | 843,076,238                                       | + 572,226,556  |                    |            |



## RELATED AGENCIES (TITLE IV)

| Agency and item   | Appropriations,<br>1957    | Estimates,<br>1958 | Recommended<br>in House bill<br>(including re-<br>tirement fund<br>contributions) | Amount re-<br>commended<br>by Senate<br>committee | Increase (+) or decrease (—) Senate bill<br>compared with— |                    |               |
|---|----------------------------|--------------------|---|---|--|--------------------|---------------|
|   |                            |                    |   |   | Appropriations,<br>1957                                    | Estimates,<br>1958 | House bill    |
| Farm Credit Administration.....                           | (\$2,230,000)              | (\$2,200,000)      | (\$2,200,000)   | (\$2,200,000)                                     | — (\$30,000)   | -----              | -----         |
| Federal Farm Mortgage Corp.....                           | (550,000)                  | ( <sup>3</sup> )   | ( <sup>3</sup> )  | ( <sup>3</sup> )                                  | -----  | -----              | -----         |
| Federal intermediate credit banks.....                    | (1,932,000)                | (3,375,000)        | (3,375,000)   | (3,375,000)                                       | + (1,443,000)  | -----              | -----         |
| Production credit corps.....                              | (1,644,000)                | ( <sup>6</sup> )   | ( <sup>6</sup> )  | ( <sup>6</sup> )                                  | — (1,644,000)  | -----              | -----         |
| Total, Farm Credit Administration.....                    | (6,356,000)                | (5,575,000)        | (5,575,000)   | (5,575,000)                                       | — (781,000)  | -----              | -----         |
| Commission on increased use of agricultural products..... | 150,000                    | -----              | -----   | -----   | — 150,000  | -----              | -----         |
| Total, titles I through IV:—                              | -----                      | -----              | -----   | -----   | -----  | -----              | -----         |
| On appropriation basis.....                               | 2,026,689,968              | 3,965,446,617      | 3,692,889,757   | 3,668,732,157                                     | +1,642,042,189   | —\$296,714,460     | —\$24,157,600 |
| On comparative basis.....                                 | <sup>3</sup> 3,226,689,968 | 3,965,446,617      | 3,692,889,757   | 3,668,732,157                                     | +442,042,189   | —296,714,460       | —24,157,600   |

<sup>3</sup> Includes authorized spending from CCC for 1957 soil bank.<sup>6</sup> Indefinite authorization proposed.<sup>6</sup> Consolidated with "Administrative expenses, Federal intermediate credit banks".







Calendar No. 422

85TH CONGRESS  
1ST SESSION

# H. R. 7441

[Report No. 415]

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IN THE SENATE OF THE UNITED STATES

MAY 16, 1957

Read twice and referred to the Committee on Appropriations

JUNE 7, 1957

Reported, under authority of the order of the Senate of May 13, 1957, by  
Mr. RUSSELL, with amendments

[Omit the part struck through and insert the part printed in italic]

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## AN ACT

Making appropriations for the Department of Agriculture and  
Farm Credit Administration for the fiscal year ending June  
30, 1958, and for other purposes.

1      *Be it enacted by the Senate and House of Representa-*  
2      *tives of the United States of America in Congress assembled,*  
3      That the following sums are appropriated, out of any money  
4      in the Treasury not otherwise appropriated, for the Depart-  
5      ment of Agriculture and Farm Credit Administration for  
6      the fiscal year ending June 30, 1958, namely:



## DEPARTMENT OF AGRICULTURE

## TITLE I—REGULAR ACTIVITIES

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) : *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$10,000, except for five buildings to be constructed or improved at a cost not to exceed \$20,000 each, and the cost of altering any one building

1 during the fiscal year shall not exceed \$3,750 or 3/5 per  
 2 centum of the cost of the building, whichever is greater:

3     Research: For research and demonstrations on the  
 4 production and utilization of agricultural products, and re-  
 5 lated research and services, including administration of pay-  
 6 ments to State agricultural experiment stations; ~~\$48,994,-~~  
 7 ~~890~~ \$58,794,800: *Provided*, That not to exceed \$25,000  
 8 shall be available for alterations of buildings, without regard  
 9 to limitations prescribed herein *Provided*, That the limitations  
 10 contained herein shall not apply to \$1,955,000 for the con-  
 11 struction of buildings or to replacement of buildings needed  
 12 to carry out the Act of April 24, 1948 (21 U. S. C. 113a):

13     Plant and animal disease and pest control: For opera-  
 14 tions and measures to control and eradicate pests and plant  
 15 and animal diseases and for carrying out assigned inspection,  
 16 quarantine and regulatory activities, as authorized by law;  
 17 ~~\$25,682,000~~ \$26,082,000, of which \$1,000,000 shall be  
 18 apportioned for use pursuant to section 3679 of the Revised  
 19 Statutes, as amended, for the control of outbreaks of insects and  
 20 plant diseases under the joint resolution approved May 9, 1938  
 21 (7 U. S. C. 148-148e), and the Act of August 13, 1954  
 22 (7 U. S. C. 148), to the extent necessary to meet emergency  
 23 conditions: *Provided*, That no part of this appropriation shall  
 24 be used to pay the cost or value of trees, farm animals, farm



1 crops, or other property injured or destroyed as a result of  
2 plant insect and disease control activities except potatoes and  
3 tomatoes as authorized under the Golden Nematode Act:  
4 *Provided further*, That, in the discretion of the Secretary, no  
5 part of this appropriation shall be expended for the control of  
6 sweetpotato weevil in any State until such State has provided  
7 cooperation necessary to accomplish this purpose, or for  
8 barberry eradication until a sum or sums at least equal to  
9 such expenditures shall have been made available by States,  
10 counties, or local authorities, or by individuals or organiza-  
11 tions for the accomplishment of this purpose, or with respect  
12 to the golden nematode except as prescribed in section 4 of  
13 the Golden Nematode Act;

14 Meat inspection: For carrying out the provisions of laws  
15 relating to Federal inspection of meat and meat-food products  
16 and the applicable provisions of the laws relating to process  
17 or renovated butter; \$16,586,000.

18 STATE EXPERIMENT STATIONS

19 Payments to States, Hawaii, Alaska, and Puerto Rico:  
20 For payments to agricultural experiment stations to carry  
21 into effect the provisions of the Hatch Act, approved March  
22 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), as  
23 amended by the Act approved August 11, 1955 (69 Stat.  
24 671), including administration by the United States De-  
25 partment of Agriculture, ~~\$29,003,708~~ \$30,003,708; and

1 payments authorized under section 204 (b) of the Agricul-  
2 tural Marketing Act, the Act approved August 14, 1946 (7  
3 U. S. C. 1623) , \$500,000; in all, ~~\$29,503,708~~ \$30,503,708.

4 Penalty mail: For penalty mail costs of agricultural  
5 experiment stations, under section 6 of the Hatch Act of  
6 1887, as amended, \$250,000.

7 DISEASES OF ANIMALS AND POULTRY

8 Eradication activities: For expenses necessary in the  
9 arrest and eradication of foot-and-mouth disease, rinderpest,  
10 contagious pleuro-pneumonia, or other contagious or infec-  
11 tious diseases of animals, or European fowl pest and similar  
12 diseases in poultry, and for foot-and-mouth disease and  
13 rinderpest programs undertaken pursuant to the provisions  
14 of the Act of February 28, 1947, and the Act of May 29,  
15 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111-122) ,  
16 including expenses in accordance with section 2 of said  
17 Act of February 28, 1947, the Secretary may transfer from  
18 other appropriations or funds available to the bureaus, cor-  
19 porations, or agencies of the Department such sums as he  
20 may deem necessary, but not to exceed \$1,270,000 for  
21 eradication of vesicular exanthema of swine, to be avail-  
22 able only in an emergency which threatens the livestock  
23 or poultry industry of the country, and any unexpended  
24 balances of funds transferred under this head in the next  
25 preceding fiscal year shall be merged with such transferred



1 amounts: *Provided*, That this appropriation shall be subject  
 2 to applicable provisions contained in the item "Salaries and  
 3 expenses, Agricultural Research Service".

#### 4 EXTENSION SERVICE

#### 5 COOPERATIVE EXTENSION WORK, PAYMENTS AND

#### 6 EXPENSES

7 Payments to States, Hawaii, Alaska, and Puerto Rico:  
 8 For payments for cooperative agricultural extension work  
 9 under the Smith-Lever Act, as amended by the Act of June  
 10 26, 1953 (7 U. S. C. 341-348), and the Act of August 11,  
 11 1955 (69 Stat. 683-4), ~~\$47,606,000~~ \$49,370,000; and  
 12 payments and contracts for such work under section 204  
 13 (b)-205 of the Agricultural Marketing Act of 1946 (7  
 14 U. S. C. 1623-1624), \$1,495,000; in all, ~~\$49,101,000~~  
 15 \$50,865,000: *Provided*, That funds hereby appropriated  
 16 pursuant to section 3 (c) of the Act of June 26, 1953, shall  
 17 not be paid to any State, Hawaii, Alaska, or Puerto Rico  
 18 prior to availability of an equal sum from non-Federal  
 19 sources for expenditure during the current fiscal year.

20 Retirement costs for extension agents: For cost of em-  
 21 ployer's share of Federal retirement for cooperative extension  
 22 employees, \$5,260,000.

23 Penalty mail: For costs of penalty mail for cooperative  
 24 extension agents and State extension directors, \$2,164,000.

25 Federal Extension Service: For administration of the

1 Smith-Lever Act, as amended by the Act of June 26,  
2 1953 (7 U. S. C. 341-348), and the Act of August 11,  
3 1955 (69 Stat. 683-4), and extension aspects of the Agri-  
4 cultural Marketing Act of 1946 (7 U. S. C. 1621-1627),  
5 and to coordinate and provide program leadership for the  
6 extension work of the Department and the several States,  
7 Territories, and insular possessions, \$2,096,540.

#### 8 FARMER COOPERATIVE SERVICE

9 For necessary expenses to carry out the Act of July 2,  
10 1926 (7 U. S. C. 451-457), \$578,000.

#### 11 AGRICULTURAL MARKETING SERVICE

##### 12 MARKETING RESEARCH AND SERVICE

13 For expenses necessary to carry on research and service  
14 to improve and develop marketing and distribution relating  
15 to agriculture as authorized by the Agricultural Marketing  
16 Act of 1946 (7 U. S. C. 1621-1627) and other laws,  
17 including the administration of marketing regulatory acts  
18 connected therewith: *Provided*, That appropriations here-  
19 under shall be available pursuant to 5 U. S. C. 565a for the  
20 construction, alteration, and repair of buildings and im-  
21 provements, but unless otherwise provided, the cost of erect-  
22 ing any one building shall not exceed \$10,000, except for  
23 two buildings to be constructed or improved at a cost not  
24 to exceed \$20,000 each, and the cost of altering any one  
25 building during the fiscal year shall not exceed \$3,750



1 or 3 per centum of the cost of the building, whichever is  
2 greater:

3       Marketing research and agricultural estimates: For re-  
4 search and development relating to agricultural marketing  
5 and distribution, for analyses relating to farm prices, income  
6 and population, and demand for farm products, for crop  
7 and livestock estimates, and for acquisition of land,  
8 ~~\$14,041,700~~ \$14,141,700: *Provided*, That not less than  
9 \$350,000 of the funds contained in this appropriation shall  
10 be available to continue to gather statistics and conduct a  
11 special study on the price spread between the farmer and the  
12 consumer: *Provided further*, That no part of the funds herein  
13 appropriated shall be available for any expense incident to  
14 ascertaining, collating, or publishing a report stating the  
15 intention of farmers as to the acreage to be planted in cotton,  
16 or for estimates of apple production for other than the com-  
17 mercial crop;

18       Marketing services: For services relating to agricultural  
19 marketing and distribution, for carrying out regulatory acts  
20 connected therewith, and for administration and coordination  
21 of payments to States, ~~\$14,274,900~~ \$14,324,900, including  
22 not to exceed \$25,000 for employment at rates not to exceed  
23 \$50 per diem, except for employment in rate cases at not to  
24 exceed \$100 per diem pursuant to the second sentence of  
25 section 706 (a) of the Organic Act of 1944 (5 U. S. C.

1 574), as amended by section 15 of the Act of August 2,  
 2 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to  
 3 201 (d), inclusive, of title II of the Agricultural Adjustment  
 4 Act of 1938 (7 U. S. C. 1291) and section 203 (j) of the  
 5 Agricultural Marketing Act of 1946.

#### 6 PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

7 For payments to departments of agriculture, bureaus  
 8 and departments of markets, and similar agencies for mar-  
 9 keting activities under section 204 (b) of the Agricultural  
 10 Marketing Act of 1946 (7 U. S. C. 1623 (b)),  
 11 \$1,160,000.

#### 12 SCHOOL LUNCH PROGRAM

13 For necessary expenses to carry out the provisions of  
 14 the National School Lunch Act (42 U. S. C. 1751-1760),  
 15 \$100,000,000: *Provided*, That no part of this appropriation  
 16 shall be used for nonfood assistance under section 5 of said  
 17 Act.

#### 18 FOREIGN AGRICULTURAL SERVICE

19 For necessary expenses for the Foreign Agricultural  
 20 Service, including carrying out title VI of the Agricultural  
 21 Act of 1954 (68 Stat. 908), and for enabling the Secretary  
 22 to coordinate and integrate activities of the Department in  
 23 connection with foreign agricultural work, including not to  
 24 exceed \$25,000 for representation allowances, and for expenses



1 pursuant to section 8 of the Act approved August 3, 1956  
 2 (70 Stat. 1034), ~~\$3,902,300~~ \$4,052,300: *Provided*, That  
 3 not less than \$400,000 of the funds contained in this appro-  
 4 priation shall be available to obtain statistics and related facts  
 5 on foreign production and full and complete information on  
 6 methods used by other countries to move farm commodities  
 7 in world trade on a competitive basis: *Provided further*,  
 8 *That provisions of the Act of August 1, 1956 (70 Stat.*  
 9 *890-892), and provisions of a similar nature in appropria-*  
 10 *tion Acts of the Department of State for the current and*  
 11 *subsequent fiscal years which facilitate the work of the*  
 12 *Foreign Service shall be applicable to funds available to the*  
 13 *Foreign Agricultural Service.*

#### 14 COMMODITY EXCHANGE AUTHORITY

15 For necessary expenses to carry into effect the pro-  
 16 visions of the Commodity Exchange Act, as amended (7  
 17 U. S. C. 1-17a), \$832,000.

#### 18 COMMODITY STABILIZATION SERVICE

##### 19 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

20 For necessary expenses to formulate and carry out  
 21 acreage allotment and marketing quota programs pursuant  
 22 to provisions of title III of the Agricultural Adjustment Act  
 23 of 1938, as amended (7 U. S. C. 1301-1393), \$40,715,-  
 24 000, of which not more than \$6,380,100 shall be transferred

1 to the appropriation account "Administrative expenses, sec-  
2 tion 392, Agricultural Adjustment Act of 1938".

3 SUGAR ACT PROGRAM

4 For necessary expenses to carry into effect the pro-  
5 visions of the Sugar Act of 1948 (7 U. S. C. 1101-1160),  
6 \$67,662,500, to remain available until June 30 of the next  
7 succeeding fiscal year: *Provided*, That expenditures (includ-  
8 ing transfers) from this appropriation for other than pay-  
9 ments to sugar producers shall not exceed \$2,124,500.

10 FEDERAL CROP INSURANCE CORPORATION

11 For operating and administrative expenses, \$6,376,700.

12 RURAL ELECTRIFICATION ADMINISTRATION

13 To carry into effect the provisions of the Rural Electrifi-  
14 cation Act of 1936, as amended (7 U. S. C. 901-924), as  
15 follows:

16 LOAN AUTHORIZATIONS

17 For loans in accordance with said Act, and for carry-  
18 ing out the provisions of section 7 thereof, to be borrowed  
19 from the Secretary of the Treasury in accordance with the  
20 provisions of section 3 (a) of said Act as follows: Rural  
21 electrification program, \$179,000,000, of which not to  
22 exceed \$20,000,000 shall be placed in reserve to be bor-  
23 rowed under the same terms and conditions to the extent  
24 that such amount is required during the fiscal year 1958



1 under the then existing conditions for the expeditious and  
2 orderly development of the rural electrification program;  
3 and rural telephone program, \$60,000,000, of which not to  
4 exceed \$10,000,000 shall be placed in reserve to be bor-  
5 rowed under the same terms and conditions to the extent  
6 that such amount is required during the fiscal year 1958  
7 under the then existing conditions for the expeditious and  
8 orderly development of the rural telephone program.

9 SALARIES AND EXPENSES

10 For administrative expenses, including not to exceed  
11 \$500 for financial and credit reports, and not to exceed  
12 \$150,000 for employment pursuant to the second sentence  
13 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.  
14 574), as amended by section 15 of the Act of August 2,  
15 1946 (5 U. S. C. 55a), \$9,030,950.

16 FARMERS' HOME ADMINISTRATION

17 To carry into effect the provisions of titles I, II, and  
18 the related provisions of title IV of the Bankhead-Jones  
19 Farm Tenant Act, as amended (7 U. S. C. 1000-1031);  
20 the Farmers' Home Administration Act of 1946 (7 U. S. C.  
21 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.  
22 Code 535; 60 Stat. 1062-1080); the Act of July 30,  
23 1946 (40 U. S. C. 436-439); the Act of August 28,  
24 1937, as amended (16 U. S. C. 590r-590x-3), for the  
25 development of facilities for water storage and utilization

1 in the arid and semiarid areas of the United States; the  
2 provisions of title V of the Housing Act of 1949, as amended  
3 (42 U. S. C. 1471-1483), relating to financial assistance  
4 for farm housing; the Rural Rehabilitation Corporation  
5 Trust Liquidation Act, approved May 3, 1950 (40 U. S. C.  
6 440-444) ; the items "Loans to farmers, 1948 flood damage"  
7 in the Act of June 25, 1948 (62 Stat. 1038), and "Loans  
8 to farmers, property damage" in the Act of May 24, 1949  
9 (63 Stat. 82) ; the collecting and servicing of credit sales  
10 and development accounts in water conservation and utiliza-  
11 tion projects (53 Stat. 685, 719), as amended and suppl-  
12 mented (16 U. S. C. 590y, z—1 and z—10) ; and the Act  
13 to direct the Secretary of Agriculture to convey certain  
14 mineral interests, approved September 6, 1950 (7 U. S. C.  
15 1033-1039), as follows:

#### 16 LOAN AUTHORIZATIONS

17 For loans (including payments in lieu of taxes and taxes  
18 under section 50 of the Bankhead-Jones Farm Tenant Act,  
19 as amended, and advances incident to the acquisition and  
20 preservation of security of obligations under the foregoing  
21 several authorities, except that such advances under title V  
22 of the Housing Act of 1949, as amended, shall be made from  
23 funds obtained under section 511 of that Act, as amended) :  
24 Title I and section 43 of title IV of the Bankhead-Jones  
25 Farm Tenant Act, as amended, \$24,000,000, of which not



1 to exceed \$2,500,000 may be distributed to States and Ter-  
2 ritories without regard to farm population and prevalence  
3 of tenancy, in addition to the amount otherwise distributed  
4 thereto, for loans in reclamation projects and to entrymen  
5 on unpatented public land; title II of the Bankhead-Jones  
6 Farm Tenant Act, as amended, \$180,000,000; the Act of  
7 August 28, 1937, as amended, \$5,500,000: *Provided*, That  
8 not to exceed the foregoing several amounts shall be bor-  
9 rowed in one account from the Secretary of the Treasury  
10 in accordance with the provisions set forth under this head in  
11 the Department of Agriculture Appropriation Act, 1952.

12 SALARIES AND EXPENSES

13 For making, servicing, and collecting loans and insured  
14 mortgages, the servicing and collecting of loans made under  
15 prior authority, the liquidation of assets transferred to  
16 Farmers' Home Administration, and other administrative  
17 expenses, \$29,089,500, together with a transfer of not to  
18 exceed \$950,000 of the fees and administrative expense  
19 charges made available by subsections (d) and (e) of sec-  
20 tion 12 of the Bankhead-Jones Farm Tenant Act, as  
21 amended (7 U. S. C. 1005 (b)), and section 10 (c) of  
22 the Act of August 28, 1937, as amended.

## OFFICE OF THE GENERAL COUNSEL

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$2,943,000.

## OFFICE OF THE SECRETARY

For expenses of the Office of the Secretary of Agriculture; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; ~~\$2,640,660~~ \$2,664,060.

## OFFICE OF INFORMATION

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,367,500, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an



1 equal proportion of four-fifths of which shall be delivered  
 2 to or sent out under the addressed franks furnished by the  
 3 Senators, Representatives, and Delegates in Congress, as  
 4 they shall direct (7 U. S. C. 417) and not less than two  
 5 hundred thirty thousand eight hundred and fifty copies for  
 6 the use of the Senate and House of Representatives of part 2  
 7 of the annual report of the Secretary (known as the Yearbook  
 8 of Agriculture) as authorized by section 73 of the Act of  
 9 January 12, 1895 (44 U. S. C. 241): *Provided*, That in  
 10 the preparation of motion pictures or exhibits by the Depart-  
 11 ment, not exceeding a total of \$10,000 may be used for  
 12 employment pursuant to the second sentence of section 706  
 13 (a) of the Organic Act of 1944 (5 U. S. C. 574), as  
 14 amended by section 15 of the Act of August 2, 1946 (5  
 15 U. S. C. 55a).

#### 16 LIBRARY

17 For necessary expenses, including dues for library  
 18 membership in societies or associations which issue publica-  
 19 tions to members only or at a price to members lower than  
 20 to subscribers who are not members, \$772,000.

#### 21 SOIL AND WATER CONSERVATION

22 For necessary expenses to carry out soil and water con-  
 23 servation programs authorized in the Soil Conservation and  
 24 Domestic Allotment Act, as amended (16 U. S. C. 590a-  
 25 590q), the Watershed Protection and Flood Prevention Act,

1 as amended (16 U. S. C. 1001-1007), the Flood Control  
 2 Act, as amended and supplemented (33 U. S. C. 701-709),  
 3 subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-  
 4 1837 and 1802-1814), the Acts of May 10, 1939 (53 Stat.  
 5 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10),  
 6 as amended and supplemented, June 28, 1949 (63 Stat.  
 7 277), and September 6, 1950 (7 U. S. C. 1033-1039),  
 8 \$535,000,000, to remain available until expended: *Provided*,  
 9 That not to exceed \$40,000,000 shall be available for ad-  
 10 ministrative expenses in carrying out sections 7-17 of the  
 11 Soil Conservation and Domestic Allotment Act and subtitles  
 12 B and C of the Soil Bank Act of which not less than \$30,-  
 13 000,000 may be transferred to the appropriation account  
 14 "Local administration, section 388, Agricultural Adjustment  
 15 Act of 1938": *Provided further*, That not to exceed  
 16 \$7,200,000 shall be transferred to and merged with the ap-  
 17 propriation "Salaries and expenses, Agricultural Research  
 18 Service, Research" for soil and water conservation research,  
 19 of which \$1,200,000 shall be available for construction of  
 20 buildings and for the acquisition of necessary land therefor,  
 21 and not to exceed \$20,000 for alterations of buildings,  
 22 without regard to limitations prescribed in this Act: *Pro-*  
 23 *vided further*, That this appropriation shall be available pur-  
 24 suant to title 5, United States Code, section 565a, for the



1 construction, alteration, and repair of buildings and improve-  
2 ments, but unless otherwise provided the cost of constructing  
3 any one building shall not exceed \$10,000 and the cost of  
4 altering any one building during the fiscal year shall not ex-  
5 ceed \$3,750 or 3 per centum of the cost of the building,  
6 whichever is greater; not to exceed \$150,000 for employ-  
7 ment pursuant to the second sentence of section 706 (a) of  
8 the Organic Act of 1944 (5 U. S. C. 574), as amended by  
9 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a);  
10 and for the temporary employment of qualified local engi-  
11 neers at per diem rates to perform the technical planning  
12 work: *Provided further*, That the unexpended balances of  
13 appropriations heretofore made for "Watershed protection",  
14 "Flood prevention", and "Water conservation and utiliza-  
15 tion projects" shall be merged with this appropriation: *Pro-*  
16 *vided further*, That programs included hereunder shall be  
17 subject to the following additional provisions:

18       Agricultural conservation program: This appropriation  
19 shall be available for administrative expenses in connection  
20 with the formulation and administration of the 1958 pro-  
21 gram of soil building and soil and water conservation prac-  
22 tices under sections 7 to 15, 16 (a) and 17 of the Soil  
23 Conservation and Domestic Allotment Act, as amended  
24 (amounting to \$250,000,000, including administration, and  
25 no participant shall receive more than \$2,500, except where

1 the participants from two or more farms or ranches join  
2 to carry out approved practices designed to conserve or  
3 improve the agricultural resources of the community); and  
4 for the purchase of seeds, fertilizers, lime, trees, or any  
5 other farming material, or any soil-terracing services and  
6 making grants thereof to agricultural producers to aid them  
7 in carrying out farming practices approved by the Secretary  
8 under programs provided for herein. Not to exceed 5 per  
9 centum of all the allocation for the 1958 agricultural conser-  
10 vation program for any county may, on the recommendation  
11 of such county committee and approval of the State com-  
12 mittee, be withheld and allotted to the Soil Conservation  
13 Service for services of its technicians in formulating and  
14 carrying out the agricultural conservation program in the  
15 participating counties, and shall not be utilized by the Soil  
16 Conservation Service for any purpose other than technical  
17 and other assistance in such counties, and in addition, on  
18 the recommendation of such county committee and approval  
19 of the State committee, not to exceed 1 per centum may be  
20 made available to any other Federal, State, or local public  
21 agency for the same purpose and under the same conditions.

22 Conservation reserve program: No part of this appro-  
23 priation shall be used to enter into contracts with producers  
24 which together with contracts already entered into would re-  
25 quire payments to producers (including the cost of mate-



1   rials and services) in excess of \$250,000,000 in any calendar  
2   year; and for purposes of applying this limitation, practice  
3   payments shall be chargeable to the first year of the contract  
4   period.

5       Conservation operations, Soil Conservation Service:  
6   This appropriation shall be available for preparation of con-  
7   servation plans and establishment of measures to conserve  
8   soil and water (including farm irrigation and land drainage  
9   and such special measures as may be necessary to prevent  
10   floods and the siltation of reservoirs); operation of conserva-  
11   tion nurseries; and classification and mapping of soils: *Pro-*  
12   *vided further,* That in the State of Missouri, where the State  
13   has established a central State agency authorized to enter  
14   into agreements with the United States or any of its agencies  
15   on policies and general programs for the saving of its soil  
16   by the extension of Federal aid to any soil conservation dis-  
17   trict in such State under sections 4 to 6 of the Soil Con-  
18   servation and Domestic Allotment Act, as amended, the  
19   agreements made by or on behalf of the United States with  
20   any such soil conservation district shall have the prior  
21   approval of such central State agency before they shall  
22   become effective as to such district.

23       Flood prevention: No part of the funds expended in  
24   accordance with the Flood Control Act, as amended and  
25   supplemented, shall be used for the purchase of lands in

1 the Yazoo and Little Tallahatchie watersheds without spe-  
2 cific approval of the county board of supervisors of the county  
3 in which such lands are situated.

#### 4 SOIL CONSERVATION SERVICE

##### 5 CONSERVATION OPERATIONS

6 *For necessary expenses for carrying out the provisions*  
7 *of the Act of April 27, 1935 (16 U. S. C. 590a-590f),*  
8 *including preparation of conservation plans and establishment*  
9 *of measures to conserve soil and water (including farm irri-*  
10 *gation and land drainage and such special measures as may be*  
11 *necessary to prevent floods and the siltation of reservoirs);*  
12 *operation of conservation nurseries; classification and map-*  
13 *ping of soils; dissemination of information; purchase and*  
14 *erection or alteration of permanent buildings; and operation*  
15 *and maintenance of aircraft; \$73,545,000: Provided, That*  
16 *the cost of any permanent building purchased, erected, or*  
17 *as improved, exclusive of the cost of constructing a water*  
18 *supply or sanitary system and connecting the same to*  
19 *any such building and with the exception of buildings ac-*  
20 *quired in conjunction with land being purchased for other*  
21 *purposes, shall not exceed \$2,500, except for eight buildings*  
22 *to be constructed or improved at a cost not to exceed \$15,000*  
23 *per building and except that alterations or improvements*  
24 *to other existing permanent buildings costing \$2,500 or*



1 more may be made in any fiscal year in an amount not  
2 to exceed \$500 per building: Provided further, That no  
3 part of this appropriation shall be available for the con-  
4 struction of any such building on land not owned by the  
5 Government: Provided further, That in the State of Mis-  
6 souri, where the State has established a central State agency  
7 authorized to enter into agreements with the United States  
8 or any of its agencies on policies and general programs for  
9 the saving of its soil by the extension of Federal aid to  
10 any soil conservation district in such State, the agreements  
11 made by or on behalf of the United States with any such  
12 soil conservation district shall have the prior approval of  
13 such central State agency before they shall become effective  
14 as to such district: Provided further, That no part of this  
15 appropriation may be expended for soil and water conserva-  
16 tion operations under the Act of April 27, 1935 (16 U. S. C.  
17 590a-590f), in demonstration projects: Provided further,  
18 That not to exceed \$5,000 may be used for employment  
19 pursuant to the second sentence of section 706 (a) of the  
20 Organic Act of 1944 (5 U. S. C. 574), as amended by  
21 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a):  
22 Provided further, That qualified local engineers may be tem-  
23 porarily employed at per diem rates to perform the technical  
24 planning work of the service.

## WATERSHED PROTECTION

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954 (16 U. S. C. 1001-1007), and the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), to remain available until expended, \$25,500,000), with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes.

## FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U. S. C. 701-709), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), to remain available until expended, \$13,220,000, with which shall be merged



1 *the unexpended balances of funds heretofore appropriated or*  
 2 *transferred to the Department for flood prevention purposes:*  
 3 *Provided, That no part of such funds shall be used for the*  
 4 *purchase of lands in the Yazoo and Little Tallahatchie*  
 5 *watersheds without specific approval of the county board of*  
 6 *supervisors of the county in which such lands are situated.*

#### 7 *WATER CONSERVATION AND UTILIZATION PROJECTS*

8 *For expenses necessary to carry out the functions of the*  
 9 *Department under the Acts of May 10, 1939 (53 Stat. 685,*  
 10 *719), October 14, 1940 (16 U. S. C. 590y-z-10), as*  
 11 *amended and supplemented, June 28, 1949 (63 Stat. 277),*  
 12 *and September 6, 1950 (7 U. S. C. 1033-1039), relating*  
 13 *to water conservation and utilization projects, to remain avail-*  
 14 *able until expended, \$350,000, which sum shall be merged*  
 15 *with the unexpended balances of funds heretofore appropri-*  
 16 *ated to said Department for the purpose of said Acts.*

#### 17 *GREAT PLAINS CONSERVATION PROGRAM*

18 *For necessary expenses to carry into effect a program of*  
 19 *conservation in the Great Plains area, pursuant to section 16*  
 20 *(b) of the Soil Conservation and Domestic Allotment Act, as*  
 21 *added by the Act of August 7, 1956 (70 Stat. 1115-1117),*  
 22 *\$10,000,000, to remain available until expended.*

#### 23 *AGRICULTURAL CONSERVATION PROGRAM SERVICE*

24 *For necessary expenses to carry into effect the program*  
 25 *authorized in sections 7 to 15, 16 (a), and 17 of the Soil*

1 *Conservation and Domestic Allotment Act, approved Febru-*  
2 *ary 29, 1936, as amended (16 U. S. C. 590g-590 (o),*  
3 *590p (a)-590q), including not to exceed \$6,000 for the*  
4 *preparation and display of exhibits, including such displays*  
5 *at State, interstate, and international fairs within the United*  
6 *States; \$212,000,000, to remain available until December 31*  
7 *of the next succeeding fiscal year for compliance with the*  
8 *program of soil-building and soil- and water-conserving prac-*  
9 *tices authorized under this head in the Department of Agri-*  
10 *culture and Farm Credit Administration Appropriation Act,*  
11 *1957, carried out during the period July 1, 1956, to Decem-*  
12 *ber 31, 1957, inclusive: Provided, That not to exceed \$24,-*  
13 *698,000 of the total sum provided under this head shall be*  
14 *available during the current fiscal year for administrative*  
15 *expenses for carrying out such program, the cost of aerial*  
16 *photographs, however, not to be charged to such limitation;*  
17 *but not more than \$5,025,800 shall be transferred to the*  
18 *appropriation account "Administrative expenses, section 392,*  
19 *Agricultural Adjustment Act of 1938": Provided further,*  
20 *That none of the funds herein appropriated shall be used to*  
21 *pay the salaries or expenses of any regional information*  
22 *employees or any State information employees, but this shall*  
23 *not preclude the answering of inquiries or supplying of infor-*  
24 *mation at the county level to individual farmers: Provided*  
25 *further, That such amount shall be available for administra-*



1    *tive expenses in connection with the formulation and admin-*  
2    *istration of the 1958 program of soil-building and soil- and*  
3    *water-conserving practices, under the Act of February 29,*  
4    *1936, as amended (amounting to \$250,000,000, including*  
5    *administration, and no participant shall receive more than*  
6    *\$1,500, except where the participants from two or more farms*  
7    *or ranches join to carry out approved practices designed to*  
8    *conserve or improve the agricultural resources of the com-*  
9    *munity): Provided further, That not to exceed 5 per centum*  
10    *of the allocation for the 1958 agricultural conservation pro-*  
11    *gram for any county may, on the recommendation of such*  
12    *county committee and approval of the State committee, be*  
13    *withheld and allotted to the Soil Conservation Service for*  
14    *services of its technicians in formulating and carrying out the*  
15    *agricultural conservation program in the participating coun-*  
16    *ties, and shall not be utilized by the Soil Conservation Service*  
17    *for any purpose other than technical and other assistance in*  
18    *such counties, and in addition, on the recommendation of*  
19    *such county committee and approval of the State committee,*  
20    *not to exceed 1 per centum may be made available to any*  
21    *other Federal, State, or local public agency for the same*  
22    *purpose and under the same conditions: Provided further,*  
23    *That for the 1958 program \$2,500,000 shall be available*  
24    *for technical assistance in formulating and carrying out agri-*

1    *cultural conservation practices and \$1,000,000 shall be avail-*  
2    *able for conservation practices related directly to flood pre-*  
3    *vention work in approved watersheds: Provided further, That*  
4    *such amounts shall be available for the purchase of seeds,*  
5    *fertilizers, lime, trees, or any other farming material, or any*  
6    *soil-terracing services, and making grants thereof to agricul-*  
7    *tural producers to aid them in carrying out farming practices*  
8    *approved by the Secretary under programs provided for*  
9    *herein: Provided further, That no part of any funds avail-*  
10    *able to the Department, or any bureau, office, corporation,*  
11    *or other agency constituting a part of such Department, shall*  
12    *be used in the current fiscal year for the payment of salary or*  
13    *travel expenses of any person who has been convicted of vio-*  
14    *lating the Act entitled "An Act to prevent pernicious political*  
15    *activities", approved August 2, 1939, as amended, or who*  
16    *has been found in accordance with the provisions of title 18,*  
17    *United States Code, section 1913, to have violated or at-*  
18    *tempted to violate such section which prohibits the use of Fed-*  
19    *eral appropriations for the payment of personal services or*  
20    *other expenses designed to influence in any manner a Member*  
21    *of Congress to favor or oppose any legislation or appropria-*  
22    *tion by Congress except upon request of any Member or*  
23    *through the proper official channels.*



## SOIL BANK PROGRAMS

## CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-1837 and 1802-1814), \$162,940,000: Provided, That not to exceed \$18,000,000 shall be available for administrative expenses of which not less than \$13,500,000 may be transferred to the appropriation account, "Local administration, section 388, Agricultural Adjustment Act of 1938": Provided further, That no part of this appropriation shall be used to enter into contracts with producers which together with contracts already entered into would require payments to producers (including the cost of materials and services) in excess of \$350,000,000 in any calendar year, and for purposes of applying this limitation, practice payments shall be chargeable to the first year of the contract period: Provided further, That the average annual rental payment per acre shall not exceed \$7.50 per acre for conservation reserve contracts entered into thirty days after approval of this Act.

ACREAGE RESERVE, ~~SOIL BANK~~ RESERVE PROGRAM

For necessary expenses to carry out an acreage reserve program in accordance with the provisions of subtitles A and

1 C of the Soil Bank Act (7 U. S. C. 1821-1824 and 1802-  
2 1814), \$600,000,000: *Provided*, That no part of this  
3 appropriation shall be used to formulate and administer an  
4 acreage reserve program with respect to the 1958 crops,  
5 or in total compensation being paid to any one producer  
6 in excess of \$2,500 with respect to the 1958 crops *Pro-*  
7 *vided*, That not to exceed \$34,500,000 of the total sum pro-  
8 *vided* under this head shall be available for administrative  
9 *expenses: Provided further*, That no part of this appro-  
10 *priation shall be used to formulate and administer an acreage*  
11 *reserve program which would result in total compensation*  
12 *being paid to producers in excess of \$500,000,000 with*  
13 *respect to the 1958 crops, or in total compensation being*  
14 *paid to any one producer in excess of \$5,000 with respect*  
15 *to the 1958 crops.*

## 16 TITLE II—CORPORATIONS

17 The following corporations and agencies are hereby  
18 authorized to make such expenditures, within the limits of  
19 funds and borrowing authority available to each such cor-  
20 poration or agency and in accord with law, and to make  
21 such contracts and commitments without regard to fiscal  
22 year limitations as provided by section 104 of the Govern-  
23 ment Corporation Control Act, as amended, as may be nec-  
24 essary in carrying out the programs set forth in the budget



1 for the fiscal year 1958 for such corporation or agency,  
2 except as hereinafter provided:

3 FEDERAL CROP INSURANCE CORPORATION

4 Federal Crop Insurance Corporation: *Provided*, That  
5 not to exceed \$2,000,000 of administrative and operating  
6 expenses may be paid from premium income.

7 COMMODITY CREDIT CORPORATION

8 RESTORATION OF CAPITAL IMPAIRMENT

9 To restore the capital impairment of the Commodity  
10 Credit Corporation determined by the appraisal of June 30,  
11 1956, pursuant to section 1 of the Act of March 8, 1938,  
12 as amended (15 U. S. C. 713a-1), \$1,239,788,671.

13 LIMITATION ON ADMINISTRATIVE EXPENSES

14 Nothing in this Act shall be so construed as to prevent  
15 the Commodity Credit Corporation from carrying out  
16 any activity or any program authorized by law: *Pro-*  
17 *vided*, That not to exceed ~~\$34,398,000~~ \$35,398,000 shall be  
18 available for administrative expenses of the Corporation in-  
19 cluding uniforms, or allowances therefor, as authorized by  
20 the Act of September 1, 1954 (5 U. S. C. 2131), as  
21 amended: *Provided further*, That \$1,000,000 of this author-  
22 ization shall be available only to expand and strengthen the  
23 sales program of the Corporation pursuant to authority con-  
24 tained in the Corporation's charter: *Provided further*, That  
25 not less than 7 per centum of this authorization shall be

1 placed in reserve to be apportioned pursuant to section 3679  
2 of the Revised Statutes, as amended, for use only in such  
3 amounts and at such time as may become necessary to carry  
4 out program operations: *Provided further*, That all neces-  
5 sary expenses (including legal and special services performed  
6 on a contract or fee basis, but not including other personal  
7 services) in connection with the acquisition, operation, main-  
8 tenance, improvement, or disposition of any real or personal  
9 property belonging to the Corporation or in which it has  
10 an interest, including expenses of collections of pledged col-  
11 lateral, shall be considered as nonadministrative expenses for  
12 the purposes hereof.

### 13 TITLE III—SPECIAL ACTIVITIES

#### 14 REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION 15 FOR ADVANCES FOR ANIMAL DISEASE ERADICATION 16 ACTIVITIES

17 To reimburse the Commodity Credit Corporation for  
18 authorized transfers through June 30, 1956 (including in-  
19 terest through June 30, 1957), as follows: (1) \$1,853,450  
20 for sums transferred to the appropriation "Foot-and-mouth  
21 and other contagious diseases of animals and poultry", fiscal  
22 year 1956, for eradication activities, pursuant to authority  
23 contained under such head in the Department of Agricul-  
24 ture and Farm Credit Administration Appropriation Act,  
25 1956, and (2) \$16,728,210 for sums transferred to the



1 appropriation "Salaries and expenses, Agricultural Research  
2 Service", fiscal year 1956, for brucellosis eradication, pur-  
3 suant to section 204 (e) of the Act of August 28, 1954,  
4 as amended (7 U. S. C. 397).

5 REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR  
6 ADVANCES FOR GRADING AND CLASSING ACTIVITIES

7 For reimbursement to Commodity Credit Corporation  
8 for sums transferred to the appropriation "Marketing re-  
9 search and service" through June 30, 1956 (including in-  
10 terest thereon through June 30, 1957), pursuant to the Act  
11 of August 31, 1951 (7 U. S. C. 414a), for grading tobacco  
12 and classing cotton without charge to producers, as author-  
13 ized by law (7 U. S. C. 473a, 511d), \$80,449.

14 SPECIAL COMMODITY DISPOSAL PROGRAMS

15 To reimburse the Commodity Credit Corporation for  
16 authorized costs (including interest through June 30, 1957),  
17 as follows: (1) \$92,930,611 under the International Wheat  
18 Agreement Act of 1949, as amended (7 U. S. C. 1641-  
19 1642); (2) \$94,483,518 for commodities disposed of for  
20 emergency famine relief to friendly peoples pursuant to  
21 title II of the Act of July 10, 1954, as amended (7 U. S. C.  
22 1703, 1721-1724); and (3) \$637,000,000 for the sale of  
23 surplus agricultural commodities for foreign currencies pur-  
24 suant to title I of the Act of July 10, 1954, as amended (7  
25 U. S. C. 1701-1709).

## TITLE IV—RELATED AGENCIES

## FARM CREDIT ADMINISTRATION

Not to exceed \$2,200,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses.

## FEDERAL FARM MORTGAGE CORPORATION

The Federal Farm Mortgage Corporation is authorized to make such expenditures, within available funds and in accordance with law, as may be necessary to liquidate its assets: *Provided*, That funds realized from the liquidation of assets which are determined by the Board of Directors to be in excess of the requirements for expenses of liquidation shall be applied first to the retirement of the remaining Government investment in the capital stock of the Corporation and then to dividends which shall be paid into the general fund of the Treasury.

## FEDERAL INTERMEDIATE CREDIT BANKS

Not to exceed \$3,375,000 (to be computed on an accrual basis) of the funds of the banks shall be available for administrative expenses, including the purchase of not to exceed six passenger motor vehicles for replacement only and services performed for the banks by other Government agencies (except services and facilities furnished and examinations made by the Farm Credit Administration, and services performed by any Federal Reserve bank and by



1 the United States Treasury in connection with the financial  
2 transactions of the banks) ; and said total sum shall be exclu-  
3 sive of interest expense, legal and special services performed  
4 on a contract or fee basis, and expenses in connection with  
5 the acquisition, operation, maintenance, improvement, pro-  
6 tection, or disposition of real or personal property belonging  
7 to the banks or in which they have an interest.

## 8 TITLE V—GENERAL PROVISIONS

9 SEC. 501. Within the unit limit of cost fixed by law,  
10 appropriations and authorizations made for the Department  
11 under this Act shall be available for the purchase, in addi-  
12 tion to those specifically provided for, of not to exceed 552  
13 passenger motor vehicles for replacement only, and for the  
14 hire of such vehicles.

15 SEC. 502. Provisions of law prohibiting or restricting  
16 the employment of aliens shall not apply to employment  
17 under the appropriation for the Foreign Agricultural Service.

18 SEC. 503. Funds available to the Department of Agri-  
19 culture shall be available for uniforms or allowances therefor  
20 as authorized by the Act of September 1, 1954, as amended  
21 (5 U. S. C. 2131).

22 SEC. 504. No part of the funds appropriated by this  
23 Act shall be used for the payment of any officer or employee

1 of the Department who, as such officer or employee, or on  
2 behalf of the Department or any division, commission, or  
3 bureau thereof, issues, or causes to be issued, any prediction,  
4 oral or written, or forecast, except as to damage threatened  
5 or caused by insects and pests, with respect to future prices of  
6 cotton or the trend of same.

7 SEC. 505. Except to provide materials required in or  
8 incident to research or experimental work where no suitable  
9 domestic product is available, no part of the funds appro-  
10 priated by this Act shall be expended in the purchase of  
11 twine manufactured from commodities or materials produced  
12 outside of the United States.

13 SEC. 506. Not less than \$1,500,000 of the appropria-  
14 tions of the Department for research and service work au-  
15 thorized by the Acts of August 14, 1946, and July 28, 1954  
16 (7 U. S. C. 427, 1621-1629), shall be available for con-  
17 tracting in accordance with said Acts.

18 SEC. 507. No part of any appropriation contained in  
19 this Act or of the funds available for expenditure by any  
20 corporation or agency included in this Act shall be used for  
21 publicity or propaganda purposes to support or defeat legis-  
22 lation pending before the Congress.

23 This Act may be cited as the "Department of Agricul-



1 ture and Farm Credit Administration Appropriation Act,  
2 1958".

Passed the House of Representatives May 15, 1957.

Attest:

RALPH R. ROBERTS,

*Clerk.*











56TH CONGRESS  
1ST SESSION

H. R. 7441

[Report No. 415]

AN ACT

Making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

MAY 16, 1957

Read twice and referred to the Committee on Appropriations

JUNE 7, 1957

Reported with amendments

# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 11, 1957  
For actions of June 10, 1957 (No. 2)  
85th-1st, No. 99

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HIGHLIGHTS: Sen. Barrett inserted Secretary's Wyoming speech.

## HOUSE

1. MONOPOLIES; MEATPACKERS. Rep. Dixon inserted the testimony of Sen. Watkins before the House Antitrust and Commerce and Finance Subcommittees in support of legislation to transfer certain functions under the Packers and Stockyards Act to FTC. pp. 7788-92
2. FLOOD CONTROL. Rep. Edmondson spoke in favor of a "balanced flood control program" developed and carried out jointly by the Army engineers, SCS, and the Bureau of Reclamation, and inserted a newspaper editorial in support of this approach to the flood control problem. pp. 7787-88
3. FLOOD INSURANCE. Rep. Sadlak spoke in favor of additional appropriations to institute the Federal flood insurance program. pp. 7797-98
4. FISCAL POLICIES. Rep. Patman criticized the fiscal policies of the Administration. pp. 7795-97
5. FARM PROGRAM. Rep. Natcher reviewed the development and importance of agriculture and farm life in the U. S. pp. 7798-99
6. POSTAL RATES. The Post Office and Civil Service Committee submitted a minority report on H.R. 5836, to readjust postal rates and to establish a congressional policy for the determination of postal rates (H. R. rpt. 524). p. 7800



7. PUBLIC LANDS. The Interior and Insular Affairs Committee reported without amendment H.R. 4635, to provide for the settlement and entry of public lands in Alaska containing coal, oil, or gas under Sec. 10 of the act of May 14, 1898 (H. Rept. 546). p. 7800
8. STATEHOOD. Received an Alaska American Legion resolution favoring statehood for Alaska. p. 7802
9. RECLAMATION. An Interior and Insular Affairs subcommittee ordered reported, with amendment to the full Committee S. 1482, to amend the Columbia Basin Project Act to increase the limitation on the acreage one family might have of irrigated land, and S. J. Res. 39, to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex. p. D509

SENATE

10. APPROPRIATIONS. The Appropriations Committee reported (June 7) with amendments the following bills:
  - ~~H.R. 6070, the independent offices appropriation bill for 1958 (S. Rept. 414);~~
  - H.R. 7441, the agricultural appropriation bill for 1958 (S. Rept. 415); and
  - ~~H.R. 6287, the Labor-Health, Education, and Welfare appropriation bill for 1958 (S. Rept. 416).~~

Sen. Russell submitted a notice of a motion to suspend the rules to allow an amendment to the agricultural appropriation bill extending to the Foreign Agricultural Service certain administrative provisions of the Foreign Service Act (under current law such provisions for FAS expire June 30, 1957).

Sen. Mundt submitted and discussed with Sen. Russell an amendment to strike from the bill language inserted by the Appropriations Committee which would reduce the average annual payment for conservation reserve land to \$7.50 per acre. pp. 7663-4

Sen. O'Mahoney submitted an amendment to H.R. 7665, the Defense Department appropriation bill for 1958, requiring the services to unify their procurement under the Secretary of Defense. pp. 7689-91

H.R. 6500, the D.C. appropriation bill for 1958, was made the unfinished business. p. 7691
11. FOREIGN AID. The Foreign Relations Committee reported (June 7) with amendment S. 2130, the mutual security authorization bill (S. Rept. 417). p. 7641
  - Sen. Green urged that attention be paid to the mutual security bill report and hearings, and pointed out that only 11 working days had passed since the President submitted his proposals. p. 7661
  - Sen. O'Mahoney submitted and discussed an amendment to the mutual security bill to require Government agencies responsible for foreign aid programs to keep certain Congressional committees informed. pp. 7666-7
12. FOREST SERVICE. Received from the Comptroller General an audit report on the Forest Service, 1955-56. p. 7642
13. FOOD DISTRIBUTION. Agreed to print as S. Doc. 43, the report of the Subcommittee on the problems of hungry children in D. C. pp. 7649-50
14. EDUCATIONAL EXCHANGE. Received a report from the Secretary of State on the international educational exchange program, Jan.-June 1956. p. 7642







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 12, 1957  
For actions of June 11, 1957  
85th-1st, No. 100

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HIGHLIGHTS: Senate passed Agricultural appropriation bill. House subcommittee ordered reported bills to provide improved methods of stating budget estimates, and to extend Reorganization Act.

## SENATE

AGRICULTURAL APPROPRIATION BILL, 1958. Passed with amendments this bill, H.R. 7441. pp. 7891-4, 7895-7939

Agreed to the following amendments:

All Committee amendments, which were then considered as original text. pp. 7891-3

By Sen. Mundt, 40-38, to reject the committee amendment which would limit the average annual rental payment for conservation reserve contracts entered into 30 days after enactment to \$7.50 per acre. (pp. 7913-22)

By Sen. Humphrey, to increase funds for meat inspection \$240,000, after agreeing to modify his original recommendation of a \$1,802,000 increase. (pp. 7928-31)

Rejected the following amendments:

By Sen. Russell, 26 to 52, to reduce the total available for conservation reserve payments to \$250 million from \$350 million. (pp. 7922-8)

By Sen. Lausche, 7 to 71, to eliminate the acreage reserve program and limit compensation to any one producer to a maximum of \$2,500, thus restoring this section to its House status. (pp. 7931-6)

Sens. Russell, Hayden, Hill, Robertson, Ellender, Young, Mundt, and Dworshak were appointed conferees. p. 7939



2. APPROPRIATIONS. Passed with amendments H.R. 6500, the D.C. appropriation bill for 1958. (pp. 7858-87) This bill provides  
funds for distribution of surplus commodities and relief milk to public and charitable institutions, and for carrying out a "penny milk" program for school children of D.C. under agreement with USDA.

H.R. 6070, the independent offices appropriation bill for 1958, was made the unfinished business. (pp. 7939-40) The Appropriations Committee in S. Rept. 414, on H.R. 6070, urged that the summary tables of real property inventories, issued as S. Doc. 25 and S. Doc. 41, be prepared on an annual basis and printed as a Senate document. They also recommended an increase in the operating expenses of the Public Buildings Service, restoring \$5,750,000 of the House reduction for financing space commitments and the cleaning of buildings, "which the committee considers of prime importance and urges the Administration to increase."

The Appropriations Committee in S. Rept. 416, on H.R. 6287, the Labor-Health, Education, and Welfare appropriation bill for 1958, recommended an increase of \$263,800 for the Mexican farm labor program; approved the budget estimate for the Food and Drug Administration with an added authorization for the purchase of motor vehicles for inspectional personnel, as "It is the sense of the committee that it will be more economical to provide the vehicles than to pay employees for the operation of personally owned cars"; reduced the allowance for sewage waste treatment works construction to \$45 million while allowing State allotments to be made on the basis of the full \$50 million; and deleted the House provision which would limit the allowance for indirect costs on research grants for the National Institutes of Health to 15% of the research grant, on the ground that "Indirect costs are as much a part of the total cost of research as are direct costs," with the request that the General Accounting Office study the problem to determine whether a fixed percentage limit ought to be adopted.

3. TRANSPORTATION. The Surface Transportation Subcommittee ordered reported to the Interstate and Foreign Commerce Committee S. 1461, to restrict the penalties for non-compliance with ICC rules. pp. D514-15
4. EXPENDITURES. The Joint Committee on Reduction of Nonessential Federal Expenditures reported on the unexpended balances remaining in appropriation accounts as of April 1, which totalled \$89.1 billion. pp. 7844-5
5. FOREIGN AID. Sen. Smith, N.J., inserted four editorials favoring enactment of the mutual security bill reported from the Foreign Relations Committee. pp. 7849-51
6. PUBLIC DEBT. Sen. Byrd inserted statements by Sens. Saltonstall and Allott on S. 1738, to provide for applying a regular portion of the public revenues to reduce the national debt. pp. 7887-91
7. BUDGET. Received a Calif. Legislature resolution urging budget cuts. p. 7843
8. WATER RESOURCES. Received a Calif. Legislature resolution urging construction of the Folsom-South Canal. p. 7843
9. LANDS. Received an Okla. Senate resolution urging an inquiry into the land procurement procedures of the Corps of Army Engineers in the Oolagah Dam project. pp. 7843-4

85TH CONGRESS  
1ST SESSION

# H. R. 7441

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IN THE HOUSE OF REPRESENTATIVES

JUNE 11, 1957

Ordered to be printed with the amendments of the Senate numbered

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## AN ACT

Making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3        That the following sums are appropriated, out of any money  
4        in the Treasury not otherwise appropriated, for the Depart-  
5        ment of Agriculture and Farm Credit Administration for  
6        the fiscal year ending June 30, 1958, namely:

I





## DEPARTMENT OF AGRICULTURE

## TITLE I—REGULAR ACTIVITIES

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) : *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$10,000, except for five buildings to be constructed or improved at a cost not to exceed \$20,000 each, and the cost of altering any one building

during the fiscal year shall not exceed \$3,750 or ~~(1)~~ 5 per centum of the cost of the building, whichever is greater:

Research: For research and demonstrations on the production and utilization of agricultural products, and related research and services, including administration of payments to State agricultural experiment stations; ~~(1a)~~ \$48,994,890 ~~\$58,794,890~~: ~~(2)~~ *Provided, That not to exceed \$25,000 shall be available for alterations of buildings, without regard to limitations prescribed herein* *Provided, That the limitations contained herein shall not apply to \$1,955,000 for the construction of buildings or to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U. S. C. 113a);*

Plant and animal disease and pest control: For operations and measures to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine and regulatory activities, as authorized by law; ~~(3)~~ ~~\$25,682,000~~ \$26,082,000, of which \$1,000,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954 (7 U. S. C. 148), to the extent necessary to meet emergency conditions: *Provided, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm*



1 crops, or other property injured or destroyed as a result of  
 2 plant insect and disease control activities except potatoes and  
 3 tomatoes as authorized under the Golden Nematode Act:  
 4 *Provided further*, That, in the discretion of the Secretary, no  
 5 part of this appropriation shall be expended for the control of  
 6 sweetpotato weevil in any State until such State has provided  
 7 cooperation necessary to accomplish this purpose, or for  
 8 barberry eradication until a sum or sums at least equal to  
 9 such expenditures shall have been made available by States,  
 10 counties, or local authorities, or by individuals or organiza-  
 11 tions for the accomplishment of this purpose, or with respect  
 12 to the golden nematode except as prescribed in section 4 of  
 13 the Golden Nematode Act;

14 Meat inspection: For carrying out the provisions of laws  
 15 relating to Federal inspection of meat and meat-food products  
 16 and the applicable provisions of the laws relating to process  
 17 or renovated butter; ~~(4)\$16,586,000~~ \$16,826,000.

#### 18 STATE EXPERIMENT STATIONS

19 Payments to States, Hawaii, Alaska, and Puerto Rico:  
 20 For payments to agricultural experiment stations to carry  
 21 into effect the provisions of the Hatch Act, approved March  
 22 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), as  
 23 amended by the Act approved August 11, 1955 (69 Stat.  
 24 671), including administration by the United States De-  
 25 partment of Agriculture, ~~(5)\$29,003,708~~ \$30,003,708; and

1 payments authorized under section 204 (b) of the Agricul-  
2 tural Marketing Act, the Act approved August 14, 1946  
3 (7 U. S. C. 1623), \$500,000; in all, ~~(6)~~\$29,503,708  
4 \$30,503,708.

5 Penalty mail: For penalty mail costs of agricultural  
6 experiment stations, under section 6 of the Hatch Act of  
7 1887, as amended, \$250,000.

8 DISEASES OF ANIMALS AND POULTRY

9 Eradication activities: For expenses necessary in the  
10 arrest and eradication of foot-and-mouth disease, rinderpest,  
11 contagious pleuro-pneumonia, or other contagious or infec-  
12 tious diseases of animals, or European fowl pest and similar  
13 diseases in poultry, and for foot-and-mouth disease and  
14 rinderpest programs undertaken pursuant to the provisions  
15 of the Act of February 28, 1947, and the Act of May 29,  
16 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111-122),  
17 including expenses in accordance with section 2 of said  
18 Act of February 28, 1947, the Secretary may transfer from  
19 other appropriations or funds available to the bureaus, cor-  
20 porations, or agencies of the Department such sums as he  
21 may deem necessary, but not to exceed \$1,270,000 for  
22 eradication of vesicular exanthema of swine, to be avail-  
23 able only in an emergency which threatens the livestock  
24 or poultry industry of the country, and any unexpended  
25 balances of funds transferred under this head in the next



preceding fiscal year shall be merged with such transferred amounts: *Provided*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

## EXTENSION SERVICE

### COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States, Hawaii, Alaska, and Puerto Rico:

For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U. S. C. 341-348), and the Act of August 11, 1955 (69 Stat. 683-4), ~~(7)\$47,606,000~~ \$49,370,000; and payments and contracts for such work under section 204 (b)-205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623-1624), \$1,495,000; in all, ~~(8)\$49,101,000~~ \$50,865,000: *Provided*, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953, shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Retirement costs for extension agents: For cost of employer's share of Federal retirement for cooperative extension employees, \$5,260,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$2,164,000.

1 Federal Extension Service: For administration of the  
2 Smith-Lever Act, as amended by the Act of June 26,  
3 1953 (7 U. S. C. 341-348), and the Act of August 11,  
4 1955 (69 Stat. 683-4), and extension aspects of the Agri-  
5 cultural Marketing Act of 1946 (7 U. S. C. 1621-1627),  
6 and to coordinate and provide program leadership for the  
7 extension work of the Department and the several States,  
8 Territories, and insular possessions, \$2,096,540.

9 FARMER COOPERATIVE SERVICE

10 For necessary expenses to carry out the Act of July 2,  
11 1926 (7 U. S. C. 451-457), \$578,000.

12 AGRICULTURAL MARKETING SERVICE

13 MARKETING RESEARCH AND SERVICE

14 For expenses necessary to carry on research and service  
15 to improve and develop marketing and distribution relating  
16 to agriculture as authorized by the Agricultural Marketing  
17 Act of 1946 (7 U. S. C. 1621-1627) and other laws,  
18 including the administration of marketing regulatory acts  
19 connected therewith: *Provided*, That appropriations here-  
20 under shall be available pursuant to 5 U. S. C. 565a for the  
21 construction, alteration, and repair of buildings and im-  
22 provements, but unless otherwise provided, the cost of erect-  
23 ing any one building shall not exceed \$10,000, except for  
24 two buildings to be constructed or improved at a cost not  
25 to exceed \$20,000 each, and the cost of altering any one



1 building during the fiscal year shall not exceed \$3,750  
2 or 3 per centum of the cost of the building, whichever is  
3 greater:

4       Marketing research and agricultural estimates: For re-  
5 search and development relating to agricultural marketing  
6 and distribution, for analyses relating to farm prices, income  
7 and population, and demand for farm products, for crop  
8 and livestock estimates, and for acquisition of land,  
9 ~~(9)\$14,041,700~~ \$14,141,700: *Provided*, That not less than  
10 \$350,000 of the funds contained in this appropriation shall  
11 be available to continue to gather statistics and conduct a  
12 special study on the price spread between the farmer and the  
13 consumer: *Provided further*, That no part of the funds herein  
14 appropriated shall be available for any expense incident to  
15 ascertaining, collating, or publishing a report stating the  
16 intention of farmers as to the acreage to be planted in cotton,  
17 or for estimates of apple production for other than the com-  
18 mercial crop;

19       Marketing services: For services relating to agricultural  
20 marketing and distribution, for carrying out regulatory acts  
21 connected therewith, and for administration and coordination  
22 of payments to States, ~~(10)\$14,274,900~~ \$14,324,900, in-  
23 cluding not to exceed \$25,000 for employment at rates not to  
24 exceed \$50 per diem, except for employment in rate cases at  
25 not to exceed \$100 per diem pursuant to the second sentence

1 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.  
 2 574), as amended by section 15 of the Act of August 2,  
 3 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to  
 4 201 (d), inclusive, of title II of the Agricultural Adjustment  
 5 Act of 1938 (7 U. S. C. 1291) and section 203 (j) of the  
 6 Agricultural Marketing Act of 1946.

#### 7 PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

8 For payments to departments of agriculture, bureaus  
 9 and departments of markets, and similar agencies for mar-  
 10 keting activities under section 204 (b) of the Agricultural  
 11 Marketing Act of 1946 (7 U. S. C. 1623 (b)),  
 12 \$1,160,000.

#### 13 SCHOOL LUNCH PROGRAM

14 For necessary expenses to carry out the provisions of  
 15 the National School Lunch Act (42 U. S. C. 1751-1760),  
 16 \$100,000,000: *Provided*, That no part of this appropriation  
 17 shall be used for nonfood assistance under section 5 of said  
 18 Act.

#### 19 FOREIGN AGRICULTURAL SERVICE

20 For necessary expenses for the Foreign Agricultural  
 21 Service, including carrying out title VI of the Agricultural  
 22 Act of 1954 (68 Stat. 908), and for enabling the Secretary  
 23 to coordinate and integrate activities of the Department in  
 24 connection with foreign agricultural work, including not to



1 exceed \$25,000 for representation allowances, and for expenses  
 2 pursuant to section 8 of the Act approved August 3, 1956  
 3 (70 Stat. 1034), ~~(11)\$3,902,300~~ \$4,052,300: *Provided,*  
 4 That not less than \$400,000 of the funds contained in this  
 5 appropriation shall be available to obtain statistics and related  
 6 facts on foreign production and full and complete information  
 7 on methods used by other countries to move farm commodi-  
 8 ties in world trade on a competitive basis(12): *Provided*  
 9 *further, That provisions of the Act of August 1, 1956 (70*  
 10 *Stat. 890-892), and provisions of a similar nature in appro-*  
 11 *priation Acts of the Department of State for the current and*  
 12 *subsequent fiscal years which facilitate the work of the Foreign*  
 13 *Service shall be applicable to funds available to the Foreign*  
 14 *Agricultural Service.*

#### 15 COMMODITY EXCHANGE AUTHORITY

16 For necessary expenses to carry into effect the pro-  
 17 visions of the Commodity Exchange Act, as amended (7  
 18 U. S. C. 1-17a), \$832,000.

#### 19 COMMODITY STABILIZATION SERVICE

##### 20 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

21 For necessary expenses to formulate and carry out  
 22 acreage allotment and marketing quota programs pursuant  
 23 to provisions of title III of the Agricultural Adjustment Act  
 24 of 1938, as amended (7 U. S. C. 1301-1393), \$40,715,-  
 25 000, of which not more than \$6,380,100 shall be transferred

1 to the appropriation account "Administrative expenses, sec-  
2 tion 392, Agricultural Adjustment Act of 1938".

### 3 SUGAR ACT PROGRAM

4 For necessary expenses to carry into effect the pro-  
5 visions of the Sugar Act of 1948 (7 U. S. C. 1101-1160),  
6 \$67,662,500, to remain available until June 30 of the next  
7 succeeding fiscal year: *Provided*, That expenditures (includ-  
8 ing transfers) from this appropriation for other than pay-  
9 ments to sugar producers shall not exceed \$2,124,500.

### 10 FEDERAL CROP INSURANCE CORPORATION

11 For operating and administrative expenses, \$6,376,700.

### 12 RURAL ELECTRIFICATION ADMINISTRATION

13 To carry into effect the provisions of the Rural Electrifi-  
14 cation Act of 1936, as amended (7 U. S. C. 901-924), as  
15 follows:

### 16 LOAN AUTHORIZATIONS

17 For loans in accordance with said Act, and for carry-  
18 ing out the provisions of section 7 thereof, to be borrowed  
19 from the Secretary of the Treasury in accordance with the  
20 provisions of section 3 (a) of said Act as follows: Rural  
21 electrification program, \$179,000,000, of which not to  
22 exceed \$20,000,000 shall be placed in reserve to be bor-  
23 rowed under the same terms and conditions to the extent  
24 that such amount is required during the fiscal year 1958  
25 under the then existing conditions for the expeditious and



1 orderly development of the rural electrification program;  
2 and rural telephone program, \$60,000,000, of which not to  
3 exceed \$10,000,000 shall be placed in reserve to be bor-  
4 rowed under the same terms and conditions to the extent  
5 that such amount is required during the fiscal year 1958  
6 under the then existing conditions for the expeditious and  
7 orderly development of the rural telephone program.

#### 8 SALARIES AND EXPENSES

9 For administrative expenses, including not to exceed  
10 \$500 for financial and credit reports, and not to exceed  
11 \$150,000 for employment pursuant to the second sentence  
12 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.  
13 574), as amended by section 15 of the Act of August 2,  
14 1946 (5 U. S. C. 55a), \$9,030,950.

#### 15 FARMERS' HOME ADMINISTRATION

16 To carry into effect the provisions of titles I, II, and  
17 the related provisions of title IV of the Bankhead-Jones  
18 Farm Tenant Act, as amended (7 U. S. C. 1000-1031);  
19 the Farmers' Home Administration Act of 1946 (7 U. S. C.  
20 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.  
21 Code 535; 60 Stat. 1062-1080); the Act of July 30,  
22 1946 (40 U. S. C. 436-439); the Act of August 28,  
23 1937, as amended (16 U. S. C. 590r-590x-3), for the  
24 development of facilities for water storage and utilization  
25 in the arid and semiarid areas of the United States; the

1 provisions of title V of the Housing Act of 1949, as amended  
2 (42 U. S. C. 1471-1483), relating to financial assistance  
3 for farm housing; the Rural Rehabilitation Corporation  
4 Trust Liquidation Act, approved May 3, 1950 (40 U. S. C.  
5 440-444) ; the items "Loans to farmers, 1948 flood damage"  
6 in the Act of June 25, 1948 (62 Stat. 1038), and "Loans  
7 to farmers, property damage" in the Act of May 24, 1949  
8 (63 Stat. 82) ; the collecting and servicing of credit sales  
9 and development accounts in water conservation and utiliza-  
10 tion projects (53 Stat. 685, 719), as amended and supple-  
11 mented (16 U. S. C. 590y, z-1 and z-10) ; and the Act  
12 to direct the Secretary of Agriculture to convey certain  
13 mineral interests, approved September 6, 1950 (7 U. S. C.  
14 1033-1039), as follows:

#### 15 LOAN AUTHORIZATIONS

16 For loans (including payments in lieu of taxes and taxes  
17 under section 50 of the Bankhead-Jones Farm Tenant Act,  
18 as amended, and advances incident to the acquisition and  
19 preservation of security of obligations under the foregoing  
20 several authorities, except that such advances under title V  
21 of the Housing Act of 1949, as amended, shall be made from  
22 funds obtained under section 511 of that Act, as amended) :  
23 Title I and section 43 of title IV of the Bankhead-Jones  
24 Farm Tenant Act, as amended, \$24,000,000, of which not  
25 to exceed \$2,500,000 may be distributed to States and Ter-



1 ritories without regard to farm population and prevalence  
2 of tenancy, in addition to the amount otherwise distributed  
3 thereto, for loans in reclamation projects and to entrymen  
4 on unpatented public land; title II of the Bankhead-Jones  
5 Farm Tenant Act, as amended, \$180,000,000; the Act of  
6 August 28, 1937, as amended, \$5,500,000: *Provided*, That  
7 not to exceed the foregoing several amounts shall be bor-  
8 rowed in one account from the Secretary of the Treasury  
9 in accordance with the provisions set forth under this head in  
10 the Department of Agriculture Appropriation Act, 1952.

#### 11 SALARIES AND EXPENSES

12 For making, servicing, and collecting loans and insured  
13 mortgages, the servicing and collecting of loans made under  
14 prior authority, the liquidation of assets transferred to  
15 Farmers' Home Administration, and other administrative  
16 expenses, \$29,089,500, together with a transfer of not to  
17 exceed \$950,000 of the fees and administrative expense  
18 charges made available by subsections (d) and (e) of sec-  
19 tion 12 of the Bankhead-Jones Farm Tenant Act, as  
20 amended (7 U. S. C. 1005 (b) ), and section 10 (c) of  
21 the Act of August 28, 1937, as amended.

#### 22 OFFICE OF THE GENERAL COUNSEL

23 For necessary expenses, including payment of fees or  
24 dues for the use of law libraries by attorneys in the field  
25 service, \$2,943,000.

## OFFICE OF THE SECRETARY

For expenses of the Office of the Secretary of Agriculture; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; (13) ~~\$2,640,660~~ \$2,664,060.

## OFFICE OF INFORMATION

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,367,500, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U. S. C. 417) and not less than two hundred thirty thousand eight hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook



1 of Agriculture) as authorized by section 73 of the Act of  
 2 January 12, 1895 (44 U. S. C. 241): *Provided*, That in  
 3 the preparation of motion pictures or exhibits by the Depart-  
 4 ment, not exceeding a total of \$10,000 may be used for  
 5 employment pursuant to the second sentence of section 706  
 6 (a) of the Organic Act of 1944 (5 U. S. C. 574), as  
 7 amended by section 15 of the Act of August 2, 1946 (5  
 8 U. S. C. 55a).

#### 9 LIBRARY

10 For necessary expenses, including dues for library  
 11 membership in societies or associations which issue publica-  
 12 tions to members only or at a price to members lower than  
 13 to subscribers who are not members, \$772,000.

#### 14 (14) SOIL AND WATER CONSERVATION

15 For necessary expenses to carry out soil and water con-  
 16 servation programs authorized in the Soil Conservation and  
 17 Domestic Allotment Act, as amended (16 U. S. C. 590a-  
 18 590q); the Watershed Protection and Flood Prevention Act,  
 19 as amended (16 U. S. C. 1001-1007); the Flood Control  
 20 Act, as amended and supplemented (33 U. S. C. 701-709);  
 21 subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-  
 22 1837 and 1802-1814); the Acts of May 10, 1939 (53 Stat.  
 23 685, 719); October 14, 1940 (16 U. S. C. 590y-z 10);  
 24 as amended and supplemented; June 28, 1949 (63 Stat.  
 25 277); and September 6, 1950 (7 U. S. C. 1033-1039);

1 \$535,000,000, to remain available until expended: *Provided*,  
2 That not to exceed \$40,000,000 shall be available for ad-  
3 ministrative expenses in carrying out sections 7-17 of the  
4 Soil Conservation and Domestic Allotment Act and subtitles  
5 B and C of the Soil Bank Act of which not less than \$30,-  
6 000,000 may be transferred to the appropriation account  
7 "Local administration, section 388, Agricultural Adjustment  
8 Act of 1938": *Provided further*, That not to exceed  
9 \$7,200,000 shall be transferred to and merged with the ap-  
10 propriation "Salaries and expenses, Agricultural Research  
11 Service, Research" for soil and water conservation research,  
12 of which \$1,200,000 shall be available for construction of  
13 buildings and for the acquisition of necessary land therefor,  
14 and not to exceed \$20,000 for alterations of buildings,  
15 without regard to limitations prescribed in this Act: *Pro-*  
16 *vided further*, That this appropriation shall be available pur-  
17 suant to title 5, United States Code, section 565a, for the  
18 construction, alteration, and repair of buildings and improve-  
19 ments, but unless otherwise provided the cost of constructing  
20 any one building shall not exceed \$10,000 and the cost of  
21 altering any one building during the fiscal year shall not ex-  
22 ceed \$3,750 or 3 per centum of the cost of the building,  
23 whichever is greater; not to exceed \$150,000 for employ-  
24 ment pursuant to the second sentence of section 706 (a) of



1 the Organic Act of 1944 (5 U. S. C. 574), as amended by  
2 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a);  
3 and for the temporary employment of qualified local engi-  
4 neers at per diem rates to perform the technical planning  
5 work: *Provided further*, That the unexpended balances of  
6 appropriations heretofore made for "Watershed protection",  
7 "Flood prevention", and "Water conservation and utiliza-  
8 tion projects" shall be merged with this appropriation: *Pro-*  
9 *vided further*, That programs included hereunder shall be  
10 subject to the following additional provisions:

11       Agricultural conservation program: This appropriation  
12 shall be available for administrative expenses in connection  
13 with the formulation and administration of the 1958 pro-  
14 gram of soil building and soil and water conservation prac-  
15 tices under sections 7 to 15, 16 (a) and 17 of the Soil  
16 Conservation and Domestic Allotment Act, as amended  
17 (amounting to \$250,000,000, including administration, and  
18 no participant shall receive more than \$2,500, except where  
19 the participants from two or more farms or ranches join  
20 to carry out approved practices designed to conserve or  
21 improve the agricultural resources of the community); and  
22 for the purchase of seeds, fertilizers, lime, trees, or any  
23 other farming material, or any soil-terracing services and  
24 making grants thereof to agricultural producers to aid them  
25 in carrying out farming practices approved by the Secretary

1 under programs provided for herein. Not to exceed 5 per  
2 centum of all the allocation for the 1958 agricultural conser-  
3 vation program for any county may, on the recommendation  
4 of such county committee and approval of the State com-  
5 mittee, be withheld and allotted to the Soil Conservation  
6 Service for services of its technicians in formulating and  
7 carrying out the agricultural conservation program in the  
8 participating counties, and shall not be utilized by the Soil  
9 Conservation Service for any purpose other than technical  
10 and other assistance in such counties, and in addition, on  
11 the recommendation of such county committee and approval  
12 of the State committee, not to exceed 1 per centum may be  
13 made available to any other Federal, State, or local public  
14 agency for the same purpose and under the same conditions.

15 Conservation reserve program: No part of this appro-  
16 priation shall be used to enter into contracts with producers  
17 which together with contracts already entered into would re-  
18 quire payments to producers (including the cost of mate-  
19 rials and services) in excess of \$250,000,000 in any calendar  
20 year, and for purposes of applying this limitation, practice  
21 payments shall be chargeable to the first year of the contract  
22 period.

23 Conservation operations, Soil Conservation Service:  
24 This appropriation shall be available for preparation of con-  
25 servation plans and establishment of measures to conserve



1 soil and water (including farm irrigation and land drainage  
 2 and such special measures as may be necessary to prevent  
 3 floods and the siltation of reservoirs); operation of conserva-  
 4 tion nurseries; and classification and mapping of soils: *Pro-*  
 5 *vided further,* That in the State of Missouri, where the State  
 6 has established a central State agency authorized to enter  
 7 into agreements with the United States or any of its agencies  
 8 on policies and general programs for the saving of its soil  
 9 by the extension of Federal aid to any soil conservation dis-  
 10 trict in such State under sections 1 to 6 of the Soil Con-  
 11 servation and Domestic Allotment Act, as amended, the  
 12 agreements made by or on behalf of the United States with  
 13 any such soil conservation district shall have the prior  
 14 approval of such central State agency before they shall  
 15 become effective as to such district.

16 Flood prevention: No part of the funds expended in  
 17 accordance with the Flood Control Act, as amended and  
 18 supplemented, shall be used for the purchase of lands in  
 19 the Yazoo and Little Tallahatchie watersheds without spe-  
 20 cific approval of the county board of supervisors of the county  
 21 in which such lands are situated.

## 22 (15)SOIL CONSERVATION SERVICE

## 23 (16)CONSERVATION OPERATIONS

24 *For necessary expenses for carrying out the provisions*  
 25 *of the Act of April 27, 1935 (16 U. S. C. 590a-590f),*

1 including preparation of conservation plans and establishment  
2 of measures to conserve soil and water (including farm irri-  
3 gation and land drainage and such special measures as may be  
4 necessary to prevent floods and the siltation of reservoirs);  
5 operation of conservation nurseries; classification and map-  
6 ping of soils; dissemination of information; purchase and  
7 erection or alteration of permanent buildings; and operation  
8 and maintenance of aircraft; \$73,545,000: Provided, That  
9 the cost of any permanent building purchased, erected, or  
10 as improved, exclusive of the cost of constructing a water  
11 supply or sanitary system and connecting the same to  
12 any such building and with the exception of buildings ac-  
13 quired in conjunction with land being purchased for other  
14 purposes, shall not exceed \$2,500, except for eight buildings  
15 to be constructed or improved at a cost not to exceed \$15,000  
16 per building and except that alterations or improvements  
17 to other existing permanent buildings costing \$2,500 or  
18 more may be made in any fiscal year in an amount not  
19 to exceed \$500 per building: Provided further, That no  
20 part of this appropriation shall be available for the con-  
21 struction of any such building on land not owned by the  
22 Government: Provided further, That in the State of Mis-  
23 souri, where the State has established a central State agency  
24 authorized to enter into agreements with the United States  
25 or any of its agencies on policies and general programs for



1 the saving of its soil by the extension of Federal aid to  
 2 any soil conservation district in such State, the agreements  
 3 made by or on behalf of the United States with any such  
 4 soil conservation district shall have the prior approval of  
 5 such central State agency before they shall become effective  
 6 as to such district: Provided further, That no part of this  
 7 appropriation may be expended for soil and water conserva-  
 8 tion operations under the Act of April 27, 1935 (16 U. S. C.  
 9 590a-590f), in demonstration projects: Provided further,  
 10 That not to exceed \$5,000 may be used for employment  
 11 pursuant to the second sentence of section 706 (a) of the  
 12 Organic Act of 1944 (5 U. S. C. 574), as amended by  
 13 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a):  
 14 Provided further, That qualified local engineers may be tem-  
 15 porarily employed at per diem rates to perform the technical  
 16 planning work of the service.

17 **(17) WATERSHED PROTECTION**

18 For expenses necessary to conduct surveys, investigations,  
 19 and research and to carry out preventive measures, in-  
 20 cluding, but not limited to, engineering operations, methods  
 21 of cultivation, the growing of vegetation, and changes in use  
 22 of land, in accordance with the Watershed Protection and  
 23 Flood Prevention Act, approved August 4, 1954 (16  
 24 U. S. C. 1001-1007), and the provisions of the Act of April

1 27, 1935 (16 U. S. C. 590a-590f), to remain available until  
 2 expended, \$25,500,000, with which shall be merged the un-  
 3 expended balances of funds heretofore appropriated or trans-  
 4 ferred to the Department for watershed protection purposes.

5 **(18) FLOOD PREVENTION**

6 For expenses necessary, in accordance with the Flood  
 7 Control Act, approved June 22, 1936 (33 U. S. C. 701-  
 8 709), as amended and supplemented, and in accordance  
 9 with the provisions of laws relating to the activities of the  
 10 Department, to perform works of improvement, including  
 11 not to exceed \$100,000 for employment pursuant to the  
 12 second sentence of section 706 (a) of the Organic Act of  
 13 1944 (5 U. S. C. 574), as amended by section 15 of the  
 14 Act of August 2, 1946 (5 U. S. C. 55a), to remain avail-  
 15 able until expended, \$13,220,000, with which shall be merged  
 16 the unexpended balances of funds heretofore appropriated or  
 17 transferred to the Department for flood prevention purposes:  
 18 Provided, That no part of such funds shall be used for the  
 19 purchase of lands in the Yazoo and Little Tallahatchie  
 20 watersheds without specific approval of the county board of  
 21 supervisors of the county in which such lands are situated.

22 **(19) WATER CONSERVATION AND UTILIZATION PROJECTS**

23 For expenses necessary to carry out the functions of the  
 24 Department under the Acts of May 10, 1939 (53 Stat. 685,  
 25 719), October 14, 1940 (16 U. S. C. 590y-z-10), as



1 amended and supplemented, June 28, 1949 (63 Stat. 277),  
 2 and September 6, 1950 (7 U. S. C. 1033-1039), relating  
 3 to water conservation and utilization projects, to remain avail-  
 4 able until expended, \$350,000, which sum shall be merged  
 5 with the unexpended balances of funds heretofore appropri-  
 6 ated to said Department for the purpose of said Acts.

7 **(20) GREAT PLAINS CONSERVATION PROGRAM**

8 For necessary expenses to carry into effect a program of  
 9 conservation in the Great Plains area, pursuant to section 16  
 10 (b) of the Soil Conservation and Domestic Allotment Act, as  
 11 added by the Act of August 7, 1956 (70 Stat. 1115-1117),  
 12 \$10,000,000, to remain available until expended.

13 **(21) AGRICULTURAL CONSERVATION PROGRAM SERVICE**

14 For necessary expenses to carry into effect the program  
 15 authorized in sections 7 to 15, 16 (a), and 17 of the Soil  
 16 Conservation and Domestic Allotment Act, approved Februa-  
 17 ry 29, 1936, as amended (16 U. S. C. 590g-590 (o),  
 18 590p (a)-590q), including not to exceed \$6,000 for the  
 19 preparation and display of exhibits, including such displays  
 20 at State, interstate, and international fairs within the United  
 21 States; \$212,000,000, to remain available until December 31  
 22 of the next succeeding fiscal year for compliance with the  
 23 program of soil-building and soil- and water-conserving prac-  
 24 tices authorized under this head in the Department of Agri-  
 25 culture and Farm Credit Administration Appropriation Act,

1 1957, carried out during the period July 1, 1956, to Decem-  
2 ber 31, 1957, inclusive: Provided, That not to exceed \$24,-  
3 698,000 of the total sum provided under this head shall be  
4 available during the current fiscal year for administrative  
5 expenses for carrying out such program, the cost of aerial  
6 photographs, however, not to be charged to such limitation;  
7 but not more than \$5,025,800 shall be transferred to the  
8 appropriation account "Administrative expenses, section 392,  
9 Agricultural Adjustment Act of 1938": Provided further,  
10 That none of the funds herein appropriated shall be used to  
11 pay the salaries or expenses of any regional information  
12 employees or any State information employees, but this shall  
13 not preclude the answering of inquiries or supplying of infor-  
14 mation at the county level to individual farmers: Provided  
15 further, That such amount shall be available for administra-  
16 tive expenses in connection with the formulation and admin-  
17 istration of the 1958 program of soil-building and soil- and  
18 water-conserving practices, under the Act of February 29,  
19 1936, as amended (amounting to \$250,000,000, including  
20 administration, and no participant shall receive more than  
21 \$1,500, except where the participants from two or more farms  
22 or ranches join to carry out approved practices designed to  
23 conserve or improve the agricultural resources of the com-  
24 munity): Provided further, That not to exceed 5 per centum  
25 of the allocation for the 1958 agricultural conservation pro-



1 gram for any county may, on the recommendation of such  
2 county committee and approval of the State committee, be  
3 withheld and allotted to the Soil Conservation Service for  
4 services of its technicians in formulating and carrying out the  
5 agricultural conservation program in the participating coun-  
6 ties, and shall not be utilized by the Soil Conservation Service  
7 for any purpose other than technical and other assistance in  
8 such counties, and in addition, on the recommendation of  
9 such county committee and approval of the State committee,  
10 not to exceed 1 per centum may be made available to any  
11 other Federal, State, or local public agency for the same  
12 purpose and under the same conditions: Provided further,  
13 That for the 1958 program \$2,500,000 shall be available  
14 for technical assistance in formulating and carrying out agri-  
15 cultural conservation practices and \$1,000,000 shall be avail-  
16 able for conservation practices related directly to flood pre-  
17 vention work in approved watersheds: Provided further, That  
18 such amounts shall be available for the purchase of seeds,  
19 fertilizers, lime, trees, or any other farming material, or any  
20 soil-terracing services, and making grants thereof to agricul-  
21 tural producers to aid them in carrying out farming practices  
22 approved by the Secretary under programs provided for  
23 herein: Provided further, That no part of any funds avail-  
24 able to the Department, or any bureau, office, corporation,  
25 or other agency constituting a part of such Department, shall

1 *be used in the current fiscal year for the payment of salary or*  
 2 *travel expenses of any person who has been convicted of vio-*  
 3 *lating the Act entitled "An Act to prevent pernicious political*  
 4 *activities", approved August 2, 1939, as amended, or who*  
 5 *has been found in accordance with the provisions of title 18,*  
 6 *United States Code, section 1913, to have violated or at-*  
 7 *tempted to violate such section which prohibits the use of Fed-*  
 8 *eral appropriations for the payment of personal services or*  
 9 *other expenses designed to influence in any manner a Member*  
 10 *of Congress to favor or oppose any legislation or appropria-*  
 11 *tion by Congress except upon request of any Member or*  
 12 *through the proper official channels.*

## 13 (22)SOIL BANK PROGRAMS

### 14 CONSERVATION RESERVE PROGRAM

15 *For necessary expenses to carry out a conservation re-*  
 16 *serve program as authorized by subtitles B and C of the*  
 17 *Soil Bank Act (7 U. S. C. 1831-1837 and 1802-1814),*  
 18 *\$162,940,000: Provided, That not to exceed \$18,000,000*  
 19 *shall be available for administrative expenses of which not less*  
 20 *than \$13,500,000 may be transferred to the appropriation ac-*  
 21 *count, "Local administration, section 388, Agricultural*  
 22 *Adjustment Act of 1938": Provided further, That no part*  
 23 *of this appropriation shall be used to enter into contracts*  
 24 *with producers which together with contracts already entered*  
 25 *into would require payments to producers (including the cost*



1 of materials and services) in excess of \$350,000,000 in any  
 2 calendar year, and for purposes of applying this limitation,  
 3 practice payments shall be chargeable to the first year of the  
 4 contract period.

#### 5 ACREAGE ~~(23)RESERVE~~, SOIL BANK RESERVE PROGRAM

6 For necessary expenses to carry out an acreage reserve  
 7 program in accordance with the provisions of subtitles A and  
 8 C of the Soil Bank Act (7 U. S. C. 1821-1824 and 1802-  
 9 1814), \$600,000,000: ~~(24)Provided~~, That no part of this  
 10 appropriation shall be used to formulate and administer an  
 11 acreage reserve program with respect to the 1958 crops,  
 12 or in total compensation being paid to any one producer  
 13 in excess of \$2,500 with respect to the 1958 crops *Pro-*  
 14 *vided*, That not to exceed \$34,500,000 of the total sum pro-  
 15 vided under this head shall be available for administrative  
 16 expenses: *Provided further*, That no part of this appro-  
 17 priation shall be used to formulate and administer an acreage  
 18 reserve program which would result in total compensation  
 19 being paid to producers in excess of \$500,000,000 with  
 20 respect to the 1958 crops, or in total compensation being  
 21 paid to any one producer in excess of \$5,000 with respect  
 22 to the 1958 crops.

#### 23 TITLE II—CORPORATIONS

24 The following corporations and agencies are hereby  
 25 authorized to make such expenditures, within the limits of

1 funds and borrowing authority available to each such cor-  
 2 poration or agency and in accord with law, and to make  
 3 such contracts and commitments without regard to fiscal  
 4 year limitations as provided by section 104 of the Govern-  
 5 ment Corporation Control Act, as amended, as may be nec-  
 6 essary in carrying out the programs set forth in the budget  
 7 for the fiscal year 1958 for such corporation or agency,  
 8 except as hereinafter provided:

#### 9 FEDERAL CROP INSURANCE CORPORATION

10 Federal Crop Insurance Corporation: *Provided*, That  
 11 not to exceed \$2,000,000 of administrative and operating  
 12 expenses may be paid from premium income.

#### 13 COMMODITY CREDIT CORPORATION

##### 14 RESTORATION OF CAPITAL IMPAIRMENT

15 To restore the capital impairment of the Commodity  
 16 Credit Corporation determined by the appraisal of June 30,  
 17 1956, pursuant to section 1 of the Act of March 8, 1938,  
 18 as amended (15 U. S. C. 713a-1), \$1,239,788,671.

##### 19 LIMITATION ON ADMINISTRATIVE EXPENSES

20 Nothing in this Act shall be so construed as to prevent  
 21 the Commodity Credit Corporation from carrying out any  
 22 activity or any program authorized by law: *Provided*,  
 23 That not to exceed ~~(25)\$34,398,000~~ \$35,398,000 shall be  
 24 available for administrative expenses of the Corporation in-  
 25 cluding uniforms, or allowances therefor, as authorized by-



1 the Act of September 1, 1954 (5 U. S. C. 2131), as  
2 amended: *Provided further*, That \$1,000,000 of this author-  
3 ization shall be available only to expand and strengthen the  
4 sales program of the Corporation pursuant to authority con-  
5 tained in the Corporation's charter: *Provided further*, That  
6 not less than 7 per centum of this authorization shall be  
7 placed in reserve to be apportioned pursuant to section 3679  
8 of the Revised Statutes, as amended, for use only in such  
9 amounts and at such time as may become necessary to carry  
10 out program operations: *Provided further*, That all neces-  
11 sary expenses (including legal and special services performed  
12 on a contract or fee basis, but not including other personal  
13 services) in connection with the acquisition, operation, main-  
14 tenance, improvement, or disposition of any real or personal  
15 property belonging to the Corporation or in which it has  
16 an interest, including expenses of collections of pledged col-  
17 lateral, shall be considered as nonadministrative expenses for  
18 the purposes hereof.

### 19 TITLE III—SPECIAL ACTIVITIES

#### 20 REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION 21 FOR ADVANCES FOR ANIMAL DISEASE ERADICATION 22 ACTIVITIES

23 To reimburse the Commodity Credit Corporation for  
24 authorized transfers through June 30, 1956 (including in-  
25 terest through June 30, 1957), as follows: (1) \$1,853,450

1 for sums transferred to the appropriation "Foot-and-mouth  
 2 and other contagious diseases of animals and poultry", fiscal  
 3 year 1956, for eradication activities, pursuant to authority  
 4 contained under such head in the Department of Agriculture  
 5 and Farm Credit Administration Appropriation Act,  
 6 1956, and (2) \$16,728,210 for sums transferred to the  
 7 appropriation "Salaries and expenses, Agricultural Research  
 8 Service", fiscal year 1956, for brucellosis eradication, pur-  
 9 suant to section 204 (e) of the Act of August 28, 1954,  
 10 as amended (7 U. S. C. 397).

11 REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR  
 12 ADVANCES FOR GRADING AND CLASSING ACTIVITIES

13 For reimbursement to Commodity Credit Corporation  
 14 for sums transferred to the appropriation "Marketing re-  
 15 search and service" through June 30, 1956 (including in-  
 16 terest thereon through June 30, 1957), pursuant to the Act  
 17 of August 31, 1951 (7 U. S. C. 414a), for grading tobacco  
 18 and classing cotton without charge to producers, as author-  
 19 ized by law (7 U. S. C. 473a, 511d), \$80,449.

20 SPECIAL COMMODITY DISPOSAL PROGRAMS

21 To reimburse the Commodity Credit Corporation for  
 22 authorized costs (including interest through June 30, 1957),  
 23 as follows: (1) \$92,930,611 under the International Wheat  
 24 Agreement Act of 1949, as amended (7 U. S. C. 1641-  
 25 1642); (2) \$94,483,518 for commodities disposed of for



1 emergency famine relief to friendly peoples pursuant to  
2 title II of the Act of July 10, 1954, as amended (7 U. S. C.  
3 1703, 1721-1724) ; and (3) \$637,000,000 for the sale of  
4 surplus agricultural commodities for foreign currencies pur-  
5 suant to title I of the Act of July 10, 1954, as amended (7  
6 U. S. C. 1701-1709) .

#### 7 TITLE IV—RELATED AGENCIES

##### 8 FARM CREDIT ADMINISTRATION

9 Not to exceed \$2,200,000 (from assessments collected  
10 from farm credit agencies) shall be obligated during the  
11 current fiscal year for administrative expenses.

##### 12 FEDERAL FARM MORTGAGE CORPORATION

13 The Federal Farm Mortgage Corporation is authorized  
14 to make such expenditures, within available funds and in  
15 accordance with law, as may be necessary to liquidate its  
16 assets: *Provided*, That funds realized from the liquidation  
17 of assets which are determined by the Board of Directors  
18 to be in excess of the requirements for expenses of liquida-  
19 tion shall be applied first to the retirement of the remaining  
20 Government investment in the capital stock of the Cor-  
21 poration and then to dividends which shall be paid into  
22 the general fund of the Treasury.

##### 23 FEDERAL INTERMEDIATE CREDIT BANKS

24 Not to exceed \$3,375,000 (to be computed on an ac-  
25 crual basis) of the funds of the banks shall be available for

1 administrative expenses, including the purchase of not to  
2 exceed six passenger motor vehicles for replacement only  
3 and services performed for the banks by other Government  
4 agencies (except services and facilities furnished and exam-  
5 inations made by the Farm Credit Administration, and  
6 services performed by any Federal Reserve bank and by  
7 the United States Treasury in connection with the financial  
8 transactions of the banks) ; and said total sum shall be exclu-  
9 sive of interest expense, legal and special services performed  
10 on a contract or fee basis, and expenses in connection with  
11 the acquisition, operation, maintenance, improvement, pro-  
12 tection, or disposition of real or personal property belonging  
13 to the banks or in which they have an interest.

#### 14 TITLE V—GENERAL PROVISIONS

15 SEC. 501. Within the unit limit of cost fixed by law,  
16 appropriations and authorizations made for the Department  
17 under this Act shall be available for the purchase, in addi-  
18 tion to those specifically provided for, of not to exceed 552  
19 passenger motor vehicles for replacement only, and for the  
20 hire of such vehicles.

21 SEC. 502. Provisions of law prohibiting or restricting  
22 the employment of aliens shall not apply to employment  
23 under the appropriation for the Foreign Agricultural Service.

24 SEC. 503. Funds available to the Department of Agri-  
25 culture shall be available for uniforms or allowances therefor



1 as authorized by the Act of September 1, 1954, as amended  
2 (5 U. S. C. 2131).

3 SEC. 504. No part of the funds appropriated by this  
4 Act shall be used for the payment of any officer or employee  
5 of the Department who, as such officer or employee, or on  
6 behalf of the Department or any division, commission, or  
7 bureau thereof, issues, or causes to be issued, any prediction,  
8 oral or written, or forecast, except as to damage threatened  
9 or caused by insects and pests, with respect to future prices of  
10 cotton or the trend of same.

11 SEC. 505. Except to provide materials required in or  
12 incident to research or experimental work where no suitable  
13 domestic product is available, no part of the funds appro-  
14 priated by this Act shall be expended in the purchase of  
15 twine manufactured from commodities or materials produced  
16 outside of the United States.

17 SEC. 506. Not less than \$1,500,000 of the appropria-  
18 tions of the Department for research and service work au-  
19 thorized by the Acts of August 14, 1946, and July 28, 1954  
20 (7 U. S. C. 427, 1621-1629), shall be available for con-  
21 tracting in accordance with said Acts.

22 SEC. 507. No part of any appropriation contained in  
23 this Act or of the funds available for expenditure by any  
24 corporation or agency included in this Act shall be used for

1 publicity or propaganda purposes to support or defeat legis-  
2 lation pending before the Congress.

3 This Act may be cited as the "Department of Agricul-  
4 ture and Farm Credit Administration Appropriation Act,  
5 1958".

Passed the House of Representatives May 15, 1957.

Attest: RALPH R. ROBERTS,  
*Clerk.*

Passed the Senate with amendments June 11, 1957.

Attest: FELTON M. JOHNSTON,  
*Secretary.*



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## AN ACT

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Making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

JUNE 11, 1957

Ordered to be printed with the amendments of the  
Senate numbered



lines 4 and 5 of page 7 the deletion of the words "because of economic conditions existing or threatening." I think that such a change might also be helpful in view of the possible urgency of a war-preparedness period during which it would be necessary in the national interest to expend sums of money for national defense, probably with deficit financing. This provision thus amended would cover a wide range of situations, not only economic but when military preparedness is essential in contemplation of open hostilities.

I should also like to ask the committee to consider the inclusion of the addition of a section at the end of this bill which would amend the Budget and Accounting Act to provide that the President include in each year's budget an item of a sufficient surplus of funds to cover the debt reduction or tax reduction which would be brought about by the reduced debt ceilings under the terms of the act. This additional provision would insure that the budget submitted by the Executive in each year would contain an item specifically reserved for debt reduction so that the needed surplus to effectively reduce the ceiling would be thus appropriated.

I have put dates in the bill to give it substance; naturally these dates should be made to conform with the schedule for the bill's consideration.

I should like at this time to ask the committee's consent to read a few statements in connection with this bill which I have received from persons whose business it is to consider fiscal policies and money matters. I should also like the committee's consent to insert in the RECORD a selection of editorials and commentaries which have been published about S. 1738.

#### SYSTEMATIC REDUCTION OF PUBLIC DEBT, S. 1738, SENATOR SALTONSTALL

(Statement of Senator ALLOTT before the Senate Committee on Finance, June 11, 1957)

Mr. Chairman, everyone worries about the national debt. S. 1738 does something about it—something constructive in terms of reducing it. I want to state my unequivocal support of it. If I read my mail correctly, I have some solid backing in Colorado.

My very distinguished colleague from Massachusetts, in introducing this bill made very accurate observations in justification of this bill. He stated that controlled reduction of the national debt is essential to (1) reduce the tremendous sum required annually for payment of the interest charges, (2) to control Federal spending, (3) to prepare for tax relief, (4) to combat inflation, and (5) to make us stronger for the economic struggle in our fight to meet the threat of communism. His analysis is so obviously sound and complete that he leaves little to be said, but I want to add a few thoughts about the disaster which I believe lies at the end of the fiscal road we are now traveling.

First I want to say that I am neither an economist nor an expert on public finance. And I do not know that Senator SALTONSTALL's bill is the best one that can be devised to deal with this problem. It may well be that what is needed is a constitutional rather than a statutory limitation. It may also be that the timing and amount of debt reduction should be altered. I only know that the future of the Republic requires a realistic look at the alarming delinquency of present procedures for developing congressional fiscal policy, with particular emphasis on control of spending and reduction of debt. A 1955 report to Congress by the Comptroller General (Audit Report to the Congress of the United States, Review of Use of Cumulative Sinking Fund for retirement of Public Obligations, 1921-25) clearly states

the need for revising the machinery for debt retirement on a more realistic basis. That report goes on to note that Federal debt policy has become increasingly important in the trend of Government spending, stability of the dollar's purchasing power, and the general economic level.

A recent independent committee study pointed to 4 real perils surrounding our national debt: (1) The dilution of the dollar, (2) the risk of boom and bust, (3) the smothering of enterprise, and (4) the loss of human freedom.

But our people have not needed a Government agency to point out the hazards of ignoring the \$275 billion debt in hopes it would go away. They know it won't. They know that interest payments on it account for about one-tenth of our budget expenditures. They know that individual integrity is the basis for individual credit and recognize that national fiscal integrity is just as important.

Herbert Miller, who is an expert on these problems, stated the problem quite accurately when he said:

"There is evidence that there is more understanding and concern among citizens over our Federal debt trends than is reflected by congressional action. This concern stems from a basic understanding of human nature born of intimate and close experience and observation. Most Americans know that human needs and wants are practically unlimited while resources to satisfy them are relatively limited. When Government assumes a role of providing for those unlimited needs and wants, and competitive political ambitions contend in outbidding and outpromising each other to supply those wants, they know the aggregate of individual and group wants is likely to be more than available resources can meet prudently. If the immediate cost of supplying such wants can be deferred and diffused by using debt to finance them, prudent citizens know that some harness is needed in the incurrence of debt and some definite retirement policy must invoke the fiscal discipline of paying our debts."

The debt which until recently had been mounting steadily must be brought under effective control. In 1914 the debt was less than \$1 billion. In 1940 only \$49 billion, and 5 years later it had risen to \$269 billion. With great effort it has been contained at about \$275 billion and even reduced slightly during the past few years. This amount is far beyond what many economic thinkers consider our peril point, that is, the point where the public's confidence in the Government's ability to pay its debts begins to deteriorate. So the problem really is one of national security.

I think it is interesting to note that only five of these United States do not have constitutional controls on deficit financing. In 1954 the average per capita debt of those States which require constitutional amendments was \$43. The average per capita debt for the 20 States which require a vote of the people was \$49. In contrast, for those eight States which have no constitutional restrictions or minor ones, the average per capita debt was \$77. That there is a need for control of public debt is evidenced by the number of States with such controls. And the effectiveness of such controls is nicely attested by the comparative debt figures mentioned.

The extraordinary thing is that there is no comparable constitutional control at the Federal level. Perhaps our Founding Fathers thought the operations of the Federal Government were so circumscribed that this type control was unnecessary. But at this point, it appears obvious that some control is vital, and S. 1738 strikes me as an approach to the problem that will do the job, at least until someone suggests something better.

Mr. Chairman, I am concerned about the fact that we as individual Members of Congress do not really have an opportunity to shoulder the responsibility for our fiscal operation. In this regard I am very much interested in a proposal recently introduced by Senator WILEY and cosponsored by many of my colleagues, providing for a joint budget committee and a legislative budget. I make this point only to emphasize the obvious fact that S. 1738 does not solve, nor attempt to solve all our fiscal problems. And it is not clear how much progress we can make toward a really sound fiscal operation until expenditure control is effectuated. But we must take these problems one at a time, and I personally entertain no doubts that S. 1738 is essential legislation, and strongly urge its favorable consideration by this committee. We need fiscal procedures which make the incurrence of debt an issue in each fiscal year and relate that issue to expenditures and income.

Without it our ship of state has too much sail and too little anchor. The time has arrived to adopt the flexible debt retirement policy devised by my good friend from Massachusetts, with of course, such improvements as I feel certain this committee can develop.

#### DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 422, H. R. 7441, the agriculture appropriation bill.

The PRESIDING OFFICER. The clerk will state the bill by title, for information.

The CHIEF CLERK. A bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, I should like to inform the Senate that our present plan, when we complete action on the Agriculture appropriation bill, is to proceed to the consideration of the independent-offices appropriation bill. As all Senators know, we have a convening hour set for tomorrow, 9:30 a. m., and the Senate will remain in session late this evening, in order to get as far along as possible.

Mr. RUSSELL. Mr. President, in the consideration of the agricultural appropriation bill, I ask unanimous consent that the committee amendments be agreed to en bloc, that the bill as thus amended be considered as original text for the purpose of amendment, and that no points of order be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

Under the heading "Department of Agriculture—Title I—Regular Activities—Agricultural Research Service—Salaries and Expenditures with the Watershed Protection and



penses," on page 3, line 1, after the word "or", to strike out "3" and insert "5."

On page 3, line 6, after the word "stations", strike out "\$48,994,890" and insert "\$58,794,890", and in the same line, after the amendment just above stated, to strike out "Provided, That not to exceed \$25,000 shall be available for alterations of buildings, without regard to limitations prescribed herein" and insert in lieu thereof "Provided, That the limitations contained herein shall not apply to \$1,955,000 for the construction of buildings or to replacement of buildings needed to carry out the act of April 24, 1948 (21 U. S. C. 113a);".

On page 3, at the beginning of line 17, to strike out "\$25,682,000" and insert "\$26,082,000."

Under the subhead "State Experiment Stations," on page 4, line 25, after the word "Agriculture," to strike out "\$29,003,708" and insert "\$30,003,708," and on page 5, line 3, after the word "all," to strike out "\$29,503,708" and insert "\$30,503,708."

Under the subhead "Extension Service—Cooperative Extension Work, Payment and Expenses," on page 6, line 11, after "(69 Stat. 683-4)," strike out "\$47,606,000" and insert "\$49,370,000," and in line 14, after the word "all," to strike out "\$49,101,000" and insert "\$50,865,000."

Under the subhead "Agricultural Marketing Service—Marketing Research and Service," on page 8, at the beginning of line 8, to strike out "\$14,041,700" and insert "\$14,141,700."

On page 8, line 21, after the word "States," to strike out "\$14,274,900" and insert "\$14,324,900."

Under the subhead "Foreign Agricultural Service," on page 10, line 2, after "(70 Stat. 1034)," to strike out "\$3,902,300" and insert "\$4,052,300," and, in line 7, after the word "basis," to insert a colon and "Provided further, That provisions of the act of August 1, 1956 (70 Stat. 890-892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service."

Under the subhead "Office of the Secretary," on page 15, at the beginning of line 14, to strike out "\$2,640,660" and insert "\$2,664,060."

On page 16, after line 20, to strike out:

#### "SOIL AND WATER CONSERVATION

"For necessary expenses to carry out soil and water conservation programs authorized in the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590a-590q), the Watershed Protection and Flood Prevention Act, as amended (16 U. S. C. 1001-1007), the Flood Control Act, as amended and supplemented (33 U. S. C. 701-709), subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-1837 and 1802-1814), the acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033-1039), \$535 million, to remain available until expended: *Provided*, That not to exceed \$40 million shall be available for administrative expenses in carrying out sections 7-17 of the Soil Conservation and Domestic Allotment Act and subtitles B and C of the Soil Bank Act of which not less than \$30 million may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938"; *Provided further*, That not to exceed \$7,200,000 shall be transferred to and merged with the appropriation "Salaries and expenses, Agricultural Research Service, Research" for soil and water conservation research, of which \$1,200,000 shall be available for construction of buildings and for the acquisition of necessary land therefor, and not to exceed \$20,000 for alterations of

buildings, without regard to limitations prescribed in this Act: *Provided further*, That this appropriation shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed \$10,000 and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or 3 per centum of the cost of the building, whichever is greater; not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and for the temporary employment of qualified local engineers at per diem rates to perform the technical planning work: *Provided further*, That the unexpended balances of appropriations heretofore made for "Watershed protection", "Flood prevention", and "Water conservation and utilization projects" shall be merged with this appropriation: *Provided further*, That programs included hereunder shall be subject to the following additional provisions:

"Agricultural conservation program: This appropriation shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil building and soil and water conservation practices under sections 7 to 15, 16 (a) and 17 of the Soil Conservation and Domestic Allotment Act, as amended (amounting to \$250 million, including administration, and no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community); and for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein. Not to exceed 5 percent of all the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 percent may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions.

"Conservation reserve program: No part of this appropriation shall be used to enter into contracts with producers which together with contracts already entered into would require payments to producers (including the cost of materials and services) in excess of \$250 million in any calendar year, and for purposes of applying this limitation, practice payments shall be chargeable to the first year of the contract period.

"Conservation operations, Soil Conservation Service: This appropriation shall be available for preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; and classification and mapping of soils: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements

with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State under sections 1 to 6 of the Soil Conservation and Domestic Allotment Act, as amended, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district.

"Flood prevention: No part of the funds expended in accordance with the Flood Control Act, as amended and supplemented, shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated."

On page 21, after line 3, to insert:

#### "SOIL CONSERVATION SERVICE

##### "Conservation operations

"For necessary expenses for carrying out the provisions of the act of April 27, 1935 (16 U. S. C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft; \$73,545,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the act of April 27, 1935 (16 U. S. C. 590a-590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service."

At the top of page 23, to insert:

#### "WATERSHED PROTECTION

"For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in ac-



Flood Prevention Act, approved August 4, 1954 (16 U. S. C. 1001-1007), and the provisions of the act of April 27, 1935 (16 U. S. C. 590a-590f), to remain available until expended, \$25,500,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes."

On page 23, after line 12, to insert:

**"FLOOD PREVENTION**

"For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U. S. C. 701-709), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), to remain available until expended, \$13,220,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated."

On page 24, after line 6, to insert:

**"WATER CONSERVATION AND UTILIZATION PROJECTS**

"For expenses necessary to carry out the functions of the Department under the acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033-1039), relating to water conservation and utilization projects, to remain available until expended, \$350,000, which sum shall be merged with the unexpended balances of funds heretofore appropriated to said Department for the purpose of said acts."

On page 24, after line 16, to insert:

**"GREAT PLAINS CONSERVATION PROGRAM**

"For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16 (b) of the Soil Conservation and Domestic Allotment Act, as added by the act of August 7, 1956 (70 Stat. 1115-1117), \$10 million, to remain available until expended."

On page 24, after line 22, to insert:

**"AGRICULTURAL CONSERVATION PROGRAM SERVICE**

"For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590 (o), 590p (a)-590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$212,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, carried out during the period July 1, 1956, to December 31, 1957, inclusive: *Provided*, That not to exceed \$24,698,000 of the total sum provided under this head shall be available during the current fiscal year for administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,025,800 shall be transferred to the appropriation account 'Administration expenses, section 392, Agricultural Adjustment Act of 1938': *Provided further*, That none of the funds herein appropriated shall be used to

pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amount shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil-building and soil- and water-conserving practices, under the act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, and no participant shall receive more than \$1,500, except where the participants from 2 or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 percent of the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 percent may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the 1958 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled 'An act to prevent pernicious political activities,' approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels."

At the top of page 28, to insert:

**"SOIL-BANK PROGRAMS**

**"Conservation reserve program**

"For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-1837 and 1802-1814), \$162,940,000: *Provided*, That not to exceed \$18,000,000 shall be available for administrative expenses of which not less than \$13,500,000 may be transferred to the appropriation account, 'Local administration, section 388, Agricultural Adjustment Act of 1938': *Provided further*, That no part of this appropriation shall be used to enter into contracts with producers which together with contracts already entered into would require

payments to producers (including the cost of materials and services) in excess of \$350,000,000 in any calendar year, and for purposes of applying this limitation, practice payments shall be chargeable to the first year of the contract period: *Provided further*, That the average annual rental payment per acre shall not exceed \$7.50 per acre for conservation reserve contracts entered into 30 days after approval of this act."

On page 28, line 21, in the subhead after the word "Acreage," to strike out "Reserve, soil bank" and insert "Reserve program."

On page 29, line 2, after the figures "\$600,000,000," to strike out "*Provided*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of \$2,500 with respect to the 1958 crops", and, in lieu thereof, to insert "*Provided*, That not to exceed \$34,500,000 of the total sum provided under this head shall be available for administrative expenses: *Provided further*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of \$500,000,000 with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of \$5,000 with respect to the 1958 crops."

Under the heading "Title II—Corporations—Limitation on Administrative Expenses", on page 30, line 17, after the word "exceed", to strike out "\$34,398,000" and insert "\$35,398,000."

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. I did not understand the last part of the request, about no points of order.

Mr. RUSSELL. The reason for including that in the unanimous-consent request, to be perfectly frank with the Senator from Oregon, is that there is one amendment which is subject to a point of order. I did not wish to have any Senator say I took advantage of him by having incorporated in the bill under a unanimous-consent request an amendment which he could not reach by a point of order.

Mr. MORSE. I misunderstood the language. It can be reached.

Mr. RUSSELL. It can be reached, and that is the purpose for including the statement in the unanimous-consent request.

Mr. MORSE. I wish to accommodate myself to the wishes of the Senator from Georgia. I have a few questions I should like to raise about the committee report. The questions will of course relate to some items in the committee report. Does the Senator prefer to have me wait until the Senate goes over the bill amendment by amendment?

Mr. RUSSELL. Mr. President, I wish to make a very brief statement with respect to the over-all size and composition of the bill. I do not think it will take more than 5 to 8 minutes. Then I shall be delighted to refer to any item in the bill in which any Member of the Senate is interested.

Mr. ANDERSON. Mr. President, will the Senator from Georgia yield for a request?

Mr. RUSSELL. I yield.



Mr. ANDERSON. I have been tied up in another conference which I must attend. I wonder if the Senator from Georgia would mind permitting me to take 2 or 3 minutes on another subject.

Mr. RUSSELL. If the Senator does not think it will take any longer than that I shall be happy to yield.

Mr. ANDERSON. Not over 5 minutes. I thank the Senator from Georgia.

### THE JOHNSON DOCTRINE

Mr. ANDERSON. Mr. President, there have been many comments on the daring and imaginative proposal which the majority leader made in New York last Saturday night.

I rise to add my voice to the commendations which his address has received. But I wish to go further and comment on what appears to me to be the heart of his proposal.

For a number of years, I have been closely associated with the atomic energy program. I have followed the development of the atom from a horrible weapon of destruction to a horrible weapon of total annihilation.

It is my considered opinion that the nations of the world must find some means of controlling the atomic arms race—or run head on into catastrophe.

From the very beginning, the United States has consistently followed the policy of trying to bring the atom under control. We have been generous—more generous than any other nation in history—in our proposals.

We offered to share all the secrets of the atom at a time when we had a monopoly. We offered arms reduction. We offered mutual inspection.

Every proposal has been turned down—either rejected flatly or lost in endless haggling.

I have little hope that future proposals will be accepted until we find ways and means of cracking the Iron Curtain. And there can be no halt in the arms race, no end to the present pattern, until we can find mutually acceptable proposals.

Mr. President, that is why the proposal of the majority leader is so appealing to me.

I am convinced that we must find a means of limiting nuclear explosions under conditions that guarantee the mutual security of all nations.

I am convinced that the Communists would not be able to reject reasonable and honorable proposals cynically if their people knew the truth.

I am convinced that we cannot bring the truth to their people unless we find some way of breaking through the Iron Curtain.

The majority leader proposes to use the Khrushchev broadcast as a technique for penetrating the curtain that seals out truth. That would represent a bold and daring response to the Khrushchev broadcast—and we need bold and daring reactions.

Mr. President, the Johnson doctrine is one that appeals to all Americans who think it through.

It is based on confidence in the strength and vitality of this country. It rejects timidity and the concept that

we are helpless in the face of disaster.

Mr. William H. Stringer, chief correspondent for the Washington Bureau of the Christian Science Monitor, commented at length on the proposal yesterday.

I ask unanimous consent that the article by this distinguished commentator and analyst be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### LYNDON JOHNSON, STATESMAN

(By William H. Stringer, chief, Washington bureau, the Christian Science Monitor)

WASHINGTON.—It is not simple for the Democratic majority leader in the Senate to don the full toga of bipartisan statesmanship. His first job is to shepherd legislation through that august upper chamber, to give it a Democratic flavor, to write a farseeing record on which his party can run in the next election.

But LYNDON B. JOHNSON, the Senate majority leader, in a quite remarkable speech at New York, has sounded an eloquent plea for imagination in foreign policy, for getting on with the disarmament negotiations with Moscow, and for boldness in a radio-TV exchange of ideas between the United States and the Soviet Union.

And, noting the way in which this plea parallels and supports what President Eisenhower is trying to do in the difficult, painstaking field of disarmament, Washington is immediately reminded of Senator WALTER F. GEORGE and how he cleared a "space for maneuver" around the President before the summit conference at Geneva and at the time of the Formosa resolution. And one thinks of the late Senator Arthur H. Vandenberg and his conversion to internationalism and how this so markedly saved the day in the United States Senate for Marshall plan aid and the NATO alliance.

Senator JOHNSON made his New York speech, before the United Jewish Appeal, at a moment when President Eisenhower needs domestic allies in his endeavor to explore the prospects of first-step disarmament with the Soviet Union.

Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, has declared that the Soviets cannot be trusted in any sort of agreement. The Chairman of the Atomic Energy Commission, Lewis L. Strauss, has stressed many technological reasons why genuine disarmament is next to impossible. Without Mr. Eisenhower's own wish to wage peace, disarmament expert, Harold E. Stassen's hands would be almost impossibly tied at the London talks, and indeed he already has had to return to Washington for further talks because of snags in the discussions.

This is a significant moment in Soviet-American relations. It is a time for caution, as always. But it may also be a moment when careful diplomacy can make some headway on the arms-control front. And it is a moment when the breach in the Iron Curtain represented by the Khrushchev radio-television interview a week ago can conceivably be exploited into a larger exchange of fusillades in this "war of ideas."

Into this picture strides Senator JOHNSON with a speech in which he urgently calls for action on five phases of disarmament, most of them closely approximating the Eisenhower administration's own thinking and proposals. Thus the Senator from Texas throws his powerful weight inferentially against those who would so hedge and restrict Mr. Stassen at London that he could not reach a first-step arms-control agreement this side of the next appearance of Halley's comet.

Controlled reduction of military forces, a start on the "open skies" inspection system, a search for methods of suspending

tests of the big weapons, a reduction in nuclear-weapons stockpiles, and a global agreement not to make new fissionable materials for weapons—by the present atomic powers and the "fourth nations," too—these are the Johnson proposals.

Simultaneously, he makes an imaginative bid for reciprocal exchange of broadcasts through the Iron Curtain—in which the United States would present its own case on disarmament in detail to the Soviet people via Soviet radio and television. In return the Soviet leaders would be allowed to broadcast over the American networks.

Let the reciprocal broadcasts be every week of the year if need be, says Senator JOHNSON.

This address was a useful contribution to American policy. It should stir American thinking. The administration should welcome it. It is the voice of a new and wide-visions Texas. It is the voice of the Senate in its most thoughtful traditions. It is the view of a Senator whose energies, dedication, and generalship have given his opinions great weight in that gentlemen's club.

If Senator JOHNSON continues in this vein, he will help bipartisanship where it most needs helping. He has already brought a Jeffersonian breath of fearless mental freedom into the current worry about whether Mr. Khrushchev's talk contaminated the American people. Of the Khrushchev demarche Senator JOHNSON says:

"I am glad he did so. I have complete trust and faith in our people. \* \* \* Khrushchev is not going to convert the lean, spare Texan who runs the cattle on my ranch into a Communist. He's just plain got too much sense."

Mr. MANSFIELD. Mr. President, will the Senator yield to me?

Mr. ANDERSON. I will yield to the able Senator from Montana, if the able Senator from Georgia will permit me to do so.

Mr. RUSSELL. I yield.

Mr. MANSFIELD. Mr. President, I wish to ask the Senator from New Mexico, the former Chairman of the Joint Committee on Atomic Energy, and at the present time the ranking member and vice chairman of the committee, if I understood correctly that what he said on the matter of the suspension of bomb tests was not to call for a total suspension, but instead for a multilateral suspension above a certain level of strength?

Mr. ANDERSON. Yes. I wish to say to the able Senator from Montana, I was in support of the proposals made by scientists. We know the safe level of fissionable material which can be put in the atmosphere by all countries. It is something in the neighborhood of from 4 megatons of fission products to 10 megatons of fission products. Somewhere in between is the safe limit. I have said that so long as we stay within the 4 to 10 megatons of fission products—not the total tonnage of bombs, but of fission products—we ought to be able to secure an international agreement among Russia, Britain, and ourselves, which would still leave plenty of room to test all of the devices now being tested at Las Vegas proving ground or in the far Pacific, all of the devices the Russians want to test, and all the devices the British want to test, provided we try to use cleaner bombs—not totally clean bombs, but cleaner bombs than we have been using. I believe it can be done. It should be done. I believe this country ought to move boldly in that direction.



Mr. MANSFIELD. I thank the Senator.

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from New Mexico?

Mr. RUSSELL. I yield.

Mr. CHAVEZ. I like the statement made by my colleague from New Mexico. I think he is correct. But I would not want the Senate to understand now that what he thinks is right and what I think is right, as to what the people of New Mexico are thinking, correctly reflects their views. I do not know, and I desire to make this statement for that very reason. While we appreciate the statement made by the junior Senator from New Mexico, and I agree with it completely, I do not know whether it reflects the feeling of the people of my State.

#### AGRICULTURAL AND FARM CREDIT ADMINISTRATION APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

Mr. RUSSELL. Mr. President, I desire to make a very brief statement to the Senate to explain the reasons why this bill is presented to the Senate in such a substantial amount over the appropriations for fiscal year 1957.

The bill which is before the Senate at the present time includes, for all purposes—expenditures for loans, and to restore the impaired capital stock of the Commodity Credit Corporation—the total sum of \$3,668,732,157. The amount of the appropriation for the current fiscal year was \$2,026,689,968.

This is the largest agricultural appropriation bill which has been presented to the Senate, certainly, since the days of the processing tax and the large payments which was made in the early thirties to the farmers.

Mr. President, it may look as if it is a very large appropriation—and it is. Inured as we have become to large expenditures, a sum in excess of \$3.6 billion is a great deal of money. But I wish to point out to the Senate that the appropriations carried by the bill, large as they are, are \$550,714,000 below the original estimates which were submitted to the Congress by the Bureau of the Budget. That reduction came about because of the fact that the President himself reduced the budget estimate for the soil bank by \$254 million, and the Senate committee has reported a bill which is \$296,714,460 below the revised budget, and \$24,157,600 below the amount of appropriations carried in the bill as it came to us from the other body.

Mr. CASE of South Dakota. Mr. President, will the Senator yield very briefly?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from South Dakota.

Mr. CASE of South Dakota. I hope it will not be considered out of order for me to tell the Senate that some years ago, in the House of Representatives, Representative James W. Wadsworth, of New York, who previously had served in the Senate, when an appropriation bill for the Department of Agriculture, in carrying large sums, came before the House, reminded that body of the time when his father, a former Representative from the State of New York, came home one day shaking his head. Jim Wadsworth's mother asked, "What is the trouble?" And the elder Wadsworth said, "You know, we passed an appropriation bill for the Department of Agriculture today that ran to \$25 million."

Mr. RUSSELL. That was prior to the days of the first billion-dollar budget, I suppose, when Czar Reed said that this was a billion-dollar country. We have now reached the point where it is a \$73 billion country budgetwise; and, on the basis of expenditures of allocated funds, it is much nearer an \$80 billion country each year.

I sometimes fear that the figures have become so astronomical that the average Member of this body, including the present speaker, cannot fully comprehend their magnitude. Sometimes we deal with them more as a line of digits than as dollars which the American taxpayer must contribute in order to meet the cost of Government.

Mr. President, I wish to deal briefly with the reason why the appropriations for the fiscal year 1958 are so substantially larger than they were for the fiscal year 1957.

Of the increase which I mentioned, namely, \$1,642,000,000 there is \$763 million for the soil bank. We did not appropriate for it for the year 1957, for the soil-bank program. This bill carries \$763 million for next year for the soil bank and \$473 million will be required next year to replenish the capital stock of the Commodity Credit Corporation. It will be recalled that when we passed the soil-bank provision last year we made no appropriation for its operation. We placed a limitation on the total amount which could be expended, but we gave the Department of Agriculture wide discretion, and told them to operate the program through the Commodity Credit Corporation, with the full knowledge of every Member of Congress that it would be necessary to restore the capital of the Commodity Credit Corporation.

I wish to point out that, excluding the soil bank program, this bill carries only about a \$9½ million increase for the regular activities of the Department, over and above the sum that was available for the current year. The largest part of that item—indeed, practically all of it—is for research in various fields.

We allowed the Extension Service an increase of \$1,764,000 above its appropriation for the current year. That is substantially less than the budget estimate, but it represents an increase in the amount which it had for the current year.

For the payments to State experiment stations we allowed an increase of \$1 million.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BARRETT. For the purpose of expanded utilization research on wool, I am very much interested in the item for the Western Regional Research Laboratory at Albany, Calif. I should like to inquire if provision is made under the item of \$58,794,800 on page 3 of the bill for Agricultural Research Service of \$400,000 to obtain about 30 items of experimental equipment and for additional personnel to conduct wool research projects during fiscal 1958 and another item of \$105,000 for the building. The equipment will be used to convert the raw wool into finished products.

Mr. RUSSELL. There is \$105,000 for the pilot wool plant, to be constructed at Albany, Calif. I do not have the operation figure, but I think it is approximately the figure given by the distinguished Senator from Wyoming.

Mr. BARRETT. I appreciate the consideration given by the committee to this item. I think it is a very wise provision in the bill.

There is one other item about which I am very much concerned. I refer to the item on page 4, line 17, for the Meat Inspection Service. It seems to me that the effect of that provision will be that the Department will be required to reduce its force considerably.

Mr. RUSSELL. No. The Senator is in error about that. The Department will not be compelled to reduce its force, because the proposed appropriation is the same net amount which it had last year for this purpose. The Department has gone to the Civil Service Commission to ask for upgrading of positions, to provide an increase in salaries for meat inspectors. If it applies an increase in salaries it will have to reduce its force. That is not the result of congressional action. In recent years that has become a very popular way to obtain salary increases. The Department will upgrade a position and say, "This is a more important position than we thought it was for 25 years. We will spell out about eight pages of fine print describing the duties to the Civil Service Commission." As a result, salaries for the various positions are upgraded two or three thousand dollars, and when Congress comes to make appropriations the next year it wonders why all the increases have occurred. The Congress has been bad enough about increasing salaries; but when we find it done by this wholesale method, through the Civil Service Commission, it is doubly bad.

Mr. BARRETT. I should like to ask the Senator if the increases recommended by the Civil Service Commission are not in fact mandatory on the Department.

Mr. RUSSELL. I do not so understand.

Mr. BARRETT. I am given to understand that they are mandatory, and that it is necessary for the Department to put them into effect.

The Classification Act of 1949 authorizes the Civil Service Commission to set job standards and under sections 501, 502, and 503, I am advised that these



standards are mandatory on the departments.

It seems to me that the Senator ought to take into consideration the fact that the grades under which the inspectors are working at present are extremely low. I do not know of any employees in the legislative branch who start at grade 3, at \$3,175 a year.

The next, grade 4, is \$3,400, and grade 5 is \$3,670.

Mr. RUSSELL. How many of them actually receive any such salaries? The Senator well knows that he has given the minimum salary. In most cases that applies for only 6 months. Then the Department starts to increase salaries. Does the Senator have before him the figure representing the average salary of those engaged in meat inspection work?

Mr. BARRETT. I have not.

Mr. RUSSELL. I think it is approximately \$2,000 more than the figure the Senator has given.

Mr. BARRETT. I do not know about that, but I do know that grades 3 to 5 run from \$3,175 to \$3,670. The Civil Service Commission recommends that these men be started at \$3,670. I submit to the distinguished Senator that if the Department is required to place these recommendations of the Civil Service Commission into effect, there is no alternative except to reduce the meat inspection force. I understand that that would involve a reduction of from 100 to 125 inspectors over the country.

Mr. RUSSELL. We had no such evidence before us.

Representatives of the Department appeared before us and urged that the appropriation be increased so that, for the first time, the Government would assume the cost of buying white clothing for the inspectors to wear. No statute authorizes the purchase by the Government of such clothing. We enacted a special statute in order to buy uniforms for mail carriers and some others. It may be desirable for us to give the meat inspectors white suits. There is no statute authorizing it; but the Department added several hundred thousand dollars for that purpose. It asked for several hundred thousand dollars in order that it might apply the increased salary scale, and it asked for a substantial amount to employ new inspectors.

Mr. BARRETT. There is no question about that. To take care of the estimated additional workload, the Department asked for \$1,212,000 to provide for 192 additional man-years of employment, but that request was not granted. I also understand that the request, with reference to uniforms, was not granted, either.

Mr. RUSSELL. No; it was not. The Senator from Georgia will oppose it as long as he can stand here. He will oppose any such policy of having department officials ask for money for an item that is not authorized by law.

Mr. BARRETT. If the force is reduced by 120 men then the end result will be to back up the cattle in the yards and hold them there until the inspection can be made with a reduced force.

Mr. RUSSELL. Of course, as all of us know, that is the argument that is made every year when we deal with the item of meat inspection. There is a provision in the law to the effect that when there are not adequate funds with which to pay the inspectors from the Federal Treasury, and the packers want the meat inspected, the packers must themselves pay the fees in the form of overtime paid to the inspectors.

For the past 10 years packers have striven valiantly to have the entire cost of the inspection borne by the taxpayers through the Treasury of the United States. They have been very successful in their endeavor, because we have increased the number of inspectors. Last year we provided \$281,000 for additional inspectors. Now we find that for fiscal year 1957 there were more man-years of employment paid in the inspection service than there had ever been in the history of the country.

We find that the number of livestock estimated to be slaughtered in 1957 is 4½ million head below the number slaughtered in 1956. It is perfectly true that the number of plants inspected has shown a slight increase. The number has increased from 1,148 to 1,241. The packers are paying by way of overtime approximately \$300,000 less in 1957 than they paid in 1956. In 1956, they paid \$4,440,000. In 1957, it is estimated they will pay \$4,137,000.

Furthermore, Mr. President, there is a general clause in the organic act of the Department of Agriculture which allows the Department to make transfers within its appropriations. It can transfer not to exceed 7 percent of the amount appropriated in a fiscal year for miscellaneous expenses from one division or bureau to another division or bureau. The only limitation is that it shall not exceed 7 percent of the appropriation for the agency.

Last year the Department transferred, under this clause, \$103,000 to the meat inspection division. That law is still in effect. Here we have before us a bill making the most substantial appropriation ever made to the Department of Agriculture, and the Department can transfer up to 7 percent of miscellaneous expenses from one division to another division. Under the transfer power, it can transfer funds to the meat inspection service, if the situation should reach the point so vividly described by the Senator from Wyoming, with the animals backed up in the yards.

Mr. BARRETT. I thank the Senator.

Mr. RUSSELL. I may say to the distinguished Senator from Wyoming that I have conferred with the Senator from Illinois [Mr. DIRKSEN], who is greatly interested in this subject, and with the Senator from Minnesota, who has an amendment, and who is also vitally concerned with this matter. I am hopeful that we may be able to draft an amendment that can be accepted and taken to conference, and which will provide a reasonable increase in this field. However, I regard the requested increase of \$2,132,000 as greatly excessive.

Mr. BARRETT. Mr. President, will the Senator yield at that point?

Mr. RUSSELL. I yield.

Mr. BARRETT. I am not concerned with the kind of increase the Senator visualizes. I am advised that the Civil Service Commission would start the inspectors at \$3,670, instead of \$3,175. I do not know how any man, with a family, can do work of the character required, for \$3,175 a year. It seems to me that the recommendations of the Civil Service Commission are modest. It would cost \$165,000 merely to raise the starting salary to \$3,670 a year. In addition to that, I am advised that the increase the Civil Service Commission has made necessary in order to meet the pay standards it has set will cost another \$590,000.

Therefore, I hope the committee will accept an amendment which will take care of these two items.

Mr. RUSSELL. I must say to the distinguished Senator that I could not agree to an amendment which would provide such a large increase in this appropriation bill. When we reach these items, amendments will be offered, and we will discuss them at that time. However, at this stage of the proceedings, I could not accept any amendment which would raise the appropriation for the Department of Agriculture by such a large amount.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CASE of South Dakota. I should like to express the hope that some provision will be made to take care of the packing plants. I am particularly interested in the smaller plants, which find the inspection fees a considerable burden. It seems to me that we should try to help small business, and not follow a policy which discriminates in favor of the large packers and against the small packers.

Mr. RUSSELL. Mr. President, there are a number of packing plants in my own State. All of them are relatively small. Of course, whether large or small, they do not like to pay the overtime they have been paying, in order to make up the difference in the cost of inspecting the meats they process, as between the amount that is appropriated and what it actually costs. There was a time when a distinguished Member of the Senate was successful in having adopted a provision requiring the meat packers to pay the whole cost. It is my own individual viewpoint that they should do that today—every dime of it. It is an adjunct to their work. However, that issue is not now before us. Congress saw fit later to repeal that provision. There has never been a time when the meat packers have not had to pay a substantial sum each year for the overtime work involved in the inspection of the meat, to the extent that the amount was not covered by the appropriation.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CAPEHART. I should like to ask the able Senator from Georgia if I am correct in understanding that the appropriation in the bill for so-called utilization research is \$14,145,000.

Mr. RUSSELL. I will have the exact figures for the Senator in a moment, but



I may say that the utilization research has fared far better in the pending bill than any other item. It received an increase of \$2 million, practically all that had been requested.

Mr. CAPEHART. I was about to ask the able Senator from Georgia with reference to that point. Is it not a fact that the appropriation this year will be approximately \$14 million, whereas last year it was \$12 million, and the year before it was approximately \$9 million?

Mr. RUSSELL. Those figures are approximately correct.

Mr. CAPEHART. On page 2 of the report, under "Regular activities," reference is made to an item of \$58,794,890 for research, which is an increase of \$9,800,000 above the House appropriation. The report states:

This increase consists of \$2 million for utilization research and to strengthen research in carrot breeding.

Mr. RUSSELL. First I should to say that \$7,200,000 of that is involved in a transfer, and is not an increase.

Mr. CAPEHART. I should like to know who it was that asked for money to strengthen research in carrot breeding.

Mr. RUSSELL. I will say to the Senator that service on the subcommittee on Agricultural Appropriations has been one of the great experiences of my senatorial career. I have found it to be the most educational process in which I have ever participated. I have learned a great deal by having people explain to the subcommittee why various commodities stand in need of development and marketing from areas about which I know nothing. No other phase of my work has taught me so much.

I wish the whole Senate could have been present to see the presentation made by the persons who are interested in growing carrots and who wanted a small sum appropriated to enable them to engage in research to produce a carrot which would be edible all the way through, without having the core or pulp which is so often found in carrots. They had carrots at the hearing. They showed them to us. They have made some progress in their research. But there are 1 or 2 questions which they think can be answered only by research on the national level. It will not cost a large sum; I think about \$12,000 or \$15,000 a year will be the total cost.

I remember that 3 or 4 years ago a group came before the committee. They were interested in onion research. I believe they were from Idaho, or perhaps it was Michigan. Merely at the mention of onion research, one might say, "My gracious alive, what is onion research?" But those persons intrigued my curiosity, and on my motion there was included in the bill \$15,000 above the budget so as to provide for research in onions. In 2 years the group came back with pictures which showed uniformity in the onions. I was amazed at the size of the onions. There was practically a revolution in onion production in this country.

Senators may be interested to know that in the field of winter wheat the seed which is now planted was not commercially available 4 years ago. Research

has developed entirely new breeds of rust-resistant and wilt-resistant wheat. It has revolutionized wheat growing by farmers who produce wheat. The farmers of the Nation are practically prostrate today. If it had not been for the advances of research, which have brought down the unit cost of production they would have been exterminated.

Mr. CAPEHART. Being a farmer myself, I will take the Senator's word for that, but I am not particularly conscious of that fact; neither am I prostrate. I am in pretty good shape as a farmer.

Mr. RUSSELL. If the Senator depended completely on his farm for his income, while he might not be prostrate, he might be a little bent.

Mr. CAPEHART. I make money on my farm every year; I always have. My point is that we have an agricultural appropriation bill of almost \$4 billion—

Mr. RUSSELL. Oh, the Senator wonders why that figure was mentioned, does he?

Mr. CAPEHART. No, no; not at all. My question is, Did the Department of Agriculture ask for more than the amount provided in the bill for utilization research?

Mr. RUSSELL. Yes; they asked for \$185,000 more than we allowed.

Mr. CAPEHART. Only \$185,000?

Mr. RUSSELL. That is correct. That item fared better than did most others in the bill.

Mr. CAPEHART. I am very much discouraged with the Department of Agriculture. We are considering an agricultural appropriation bill providing almost \$4 billion. That is an extremely high tax load with respect to agriculture. Yet it is proposed to spend only about \$14 million for utilization research. I am not criticizing the committee, because the committee included in the bill everything which the Department of Agriculture requested to enable it to find new uses for farm products in industry, although we have been spending over the years hundreds and hundreds of millions of dollars for agricultural appropriations alone.

Again I say I am not criticizing the committee, because the committee knows what the Department asked for. But Congress is appropriating millions of dollars annually to show the farmer how to grow more and more and more—even \$15,000 for research in carrots—when the problem today is overproduction, and a lack of markets in which to sell farm products.

What Congress ought to do, in my opinion, is to appropriate \$100 million or \$200 million of the \$4 billion to find new uses for farm products in industry, to enable the farmer to grow more instead of less, but to have more markets for what he grows.

I am not criticizing the committee; I am criticizing the Department of Agriculture.

Mr. RUSSELL. I hope the Senator will be pleased to know that in the argument which the committee made for appropriations to provide an increase for utilization research, the fact that the Senator from Indiana had introduced a comprehensive bill along this line was

mentioned by more than one member of the committee.

Mr. CAPEHART. I understand that. I introduced such a bill last year and again this year. The Senate passed the bill last year, as the Senator from Georgia will remember, to establish a Commission, known as the President's Commission on Utilization Research. That Commission now is making its final report, after studying the whole problem of finding new uses for farm products.

Yet the Department of Agriculture has not asked for an appropriation in this bill to carry out the recommendations which the Commission will make.

I am almost tempted to vote against the Department of Agriculture appropriation bill for the reason that Congress is appropriating literally billions of dollars for agriculture, or at least hundreds of millions, but no effort whatsoever is being made by the Department of Agriculture to spend any money to find new uses for farm products in industry.

I know of one manufacturer who spent last year more than \$80 million in an effort to find synthetic products so that he would not have to use cotton. Yet the Department of Agriculture asks for only \$14 million for the purpose of research. Last year they asked for \$12 million. The year before that they asked for \$9 million. In the years before that, the amount they requested in order to find new uses for farm products in industry was even less. That is a disgraceful situation.

Eventually the taxpayers of the Nation will be made bankrupt if we continue to encourage the farmers to grow more, by showing them how to grow more, while on the other hand we ask the American taxpayers to pay for the surpluses.

Why do we not get wise? Why does not the Department of Agriculture get wise and start attacking the problem on the basis of finding new uses for farm products? The only way to find them is to use "gumption." I use that term because it is a good old Indiana and Georgia expression—"gumption." It means using a little bit of common horse sense.

Mr. RUSSELL. Indeed it does; the Senator does not have to explain that word to me.

Mr. CAPEHART. The Department of Agriculture could use a little gumption in seeking new uses of farm products in order to alleviate the farm problem. The farmer will not be helped by the Government spending millions and millions of dollars to show him how to grow more, to get his production high, but have his markets low. In order to utilize the surpluses, it will be necessary to find ways of bringing the market up to the production, and to push both the production and the markets up. To do that, it will be necessary to find new uses for farm products in industry.

I do not know what we can do to get the Department of Agriculture to undertake this work. We provided them with five laboratories. Yet the Department has not asked for any money or help to get the work done.

Mr. DIRKSEN. Mr. President, will the Senator yield?



Mr. RUSSELL. I am glad to yield to the Senator from Illinois, who is a distinguished member of the subcommittee.

Mr. DIRKSEN. I think one of the real functions of the subcommittee in taking testimony is to determine, in every case, the amount that can be usefully and productively spent. The committee could dump \$100 million into the bill for utilization research; but if the work was not organized, if there were no technicians striving for a definite goal, instead of searching around for a lot of chemical curiosities, we would get nowhere.

In addition, we would be wasting much of the public's money. It is all very well to say that \$100 million, \$20 million, or \$5 million, should be spent in research; but personnel are required to do the research. Simply looking into a test tube or using a bunsen burner in a laboratory will not do the job. Some competency is required. A huge undertaking such as this will require time for organization. I believe the committee, in its discretion, has undertaken to move as fast and prudently as the work can be done productively.

Mr. CAPEHART. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. CAPEHART. Of course, it is necessary to have more manpower and other assistance; but when will a start be made to organize and begin such a program? Are we going to ask the American people to spend \$4 billion every year primarily because the Department of Agriculture will not organize itself on a basis to get the work done which Congress authorizes it to perform?

The Senator from Illinois is 100 per cent correct. Certainly it is not feasible to look down a test tube. But neither does private industry look down a test tube. At least, we ought to do as much as private industry does.

The Senate remembers the development of the synthetic rubber program. The Congress appropriated \$700 million, and the head of the program was instructed to commence the production of synthetic rubber, to build a pilot plant, and to engage in research, design, engineering, and all the other phases of the program. We can make similar provisions in the case of new uses for agricultural products.

The Senator from Illinois talks in the same way that those in the Department of Agriculture do. Under those circumstances, it is no wonder that the necessary development do not occur. We are aware of that situation. But what is the sense of urging the appropriation of \$4 billion for the purchase and use of agricultural surpluses, and the appropriation of \$60 million to show the farmers how to grow more and more agricultural commodities, when we have too many now, and then to propose that as little as \$14 million be appropriated for the purpose of finding new industrial uses for farm products?

I can remember the time when, in Indiana, soybeans were not grown by the farmers. Today, soybeans are used very widely in industry; and today the soybean crop is one of the big cash crops in the United States, and I would dislike to think what would be the situation of the

farmers in Indiana today if soybeans were not grown. The extensive use of soybeans in industry has resulted from research.

The almost 6 million farmers in the United States cannot do this job themselves. Some imagination is needed in the Department of Agriculture, in connection with research, if the necessary job is to be done. The report of the President's Commission will come to us the day after tomorrow, I believe; and the members of the Commission are practically unanimous in recommending research to find new industrial uses for farm products. This problem will not be solved in any other way.

Frankly, Mr. President, I become tired listening to the statements of the Department of Agriculture that the necessary technicians cannot be obtained and therefore it is impossible to solve the problem.

Mr. RUSSELL. Mr. President, I was in the process of making a brief general statement, which I do not think would have required more than 10 minutes, if I had not been diverted.

The Senator from Illinois has asked me to yield briefly to him. I shall do so, and then I wish to conclude my brief statement. Thereafter, I shall yield the floor; and the bill will be open to general discussion.

Mr. MUNDT and other Senators addressed the Chair.

Mr. RUSSELL. Mr. President, several Senators wish to speak, but I have agreed to yield at this time to the Senator from Illinois. I now yield to him.

Mr. DIRKSEN. Mr. President, I have never seen the time when an argument comparable to that made by the Senator from Indiana has not been made; and that goes back to the days when I was chairman of the Agricultural Appropriations Subcommittee in the House of Representatives. But I have discovered that in the field of agriculture, as in the field of physical health, progressive steps have to be taken.

All the money on this side of the Rocky Mountains could be dumped into the Department of Agriculture, but that would simply be a waste of money.

The Congress is appropriating hundreds of millions of dollars for the institutes of research in the fields of health, including studies regarding arthritis, rheumatism, cancer, and various other diseases; and some results have been obtained. But over a period of time, pure research must be done; and after a while it becomes applied; and later it becomes really practical. But it is impossible to jump over the various necessary steps.

Our distinguished friend, the Senator from Indiana [Mr. CAPEHART] would like to rush by them; he says, "Just appropriate the necessary funds, and the Department will find the proper persons, and will solve the problem overnight." But, Mr. President, that is not possible.

I am no tyro regarding these matters. I helped conduct the first experiments—down by the Memorial Highway between Washington and Mount Vernon, in 1933—with anhydrous alcohol produced from surplus grain, to be mixed with gasoline, and then to be converted into premium fuel. What was the answer?

We found that a new carburetor was called for, and that new design was necessary, and that various special processes were required. In that connection we have not gotten very far, although 1,800 stations were selling such fuel in Nebraska.

So I know something of the difficulties involved; and they will not be solved by saying, "Give the Department \$50 million or \$100 million and, presto, we will have the solution."

Mr. CAPEHART. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. Mr. President, I shall yield briefly to the Senator from Indiana, but thereafter I desire to complete my statement.

Mr. CAPEHART. Mr. President, I would prefer to have the Government waste \$100 million in an effort to solve the problem of finding new industrial uses for agricultural products, rather than to have the Government waste hundreds of millions of dollars in connection with telling the farmers how to grow more and more, even though at the present time it is impossible to sell all the commodities the farmers are producing.

There can be only one answer to this problem, regardless of whether rapid progress or slow progress is made. I say we had better begin to make rapid progress, and we should spend the necessary funds on research and on developing new industrial uses for agricultural products, if we are ever going to begin to solve the farm problem. I am not unmindful of the fact that much time is required and that such developments cannot occur over night.

But a start must be made. It is ridiculous for as little as \$14 million to be spent in an effort to develop new industrial uses for agricultural products, when I could name, if I had the time to engage in a little research, a thousand private industries in the United States which spend twice, 10 times, or 20 times that amount of money on their own research.

As I said a moment ago, I know of one company in the State of Georgia which spent more than \$80 million in an effort to find synthetic substitutes for cotton. Yet the Department of Agriculture requests the small sum of \$14 million for the purpose of engaging in research for the benefit of all the farmers in the United States. That amount is \$2 million more than the amount provided last year, and \$5 million more than the amount of 2 years ago.

Mr. MUNDT addressed the Chair.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senator from Georgia has the floor. Does he yield?

Mr. RUSSELL. Mr. President, I hope the distinguished Senator from South Dakota will permit me first to finish my brief explanatory statement. Five or six Senators wish to discuss the item of utilization research; and after I have finished my brief statement, I shall be glad to yield for a discussion of that matter.

Mr. President, I was discussing the fact that in the case of the total bill, the appropriations for the regular activities represent an increase in the amount of only \$9,500,000 over the appropriations



made for the fiscal year 1957. The largest item is for utilization research.

Most of the total increases provided by the bill do not concern the regular activities of the Department of Agriculture. An increase of \$297,501,493 is required to restore the capital impairment of the Commodity Credit Corporation for losses sustained in 1956. The bill also includes increases over 1957 totaling \$572,226,556 for special activities. These are programs—including sales of commodities for foreign currencies under Public Law 480, the International Wheat Agreement, emergency famine relief to friendly peoples, and animal-disease eradication activities—which are carried out using Commodity Credit Corporation funds, and the Corporation is subsequently reimbursed by appropriation, in order to restore its capital structure.

Mr. President, a large part of the appropriations carried by the pending bill could more properly be charged to the foreign-aid program. In considering the Department of Agriculture appropriation bill, it is important to note that much of the funds in the bill do not go to the American farmer.

For example, the bill includes \$637 million to reimburse the Commodity Credit Corporation for sales of commodities for foreign currencies under Public Law 480. It also includes similar reimbursement items of \$94,483,518 for emergency famine relief to friendly peoples, and \$92,930,611 for the International Wheat Agreement.

Mr. HUMPHREY. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. Mr. President, if the Senator from Minnesota will permit me to do so, first I should like to complete my brief statement.

Mr. HUMPHREY. I shall be glad to wait.

Mr. RUSSELL. Mr. President, a number of the items included in the bill are not primarily for the benefit of agriculture. Among those items is the one of \$100 million for the school-lunch program and the one of more than \$45 million for the school-milk program.

Also included in the bill are \$16,586,000 for meat inspection and over \$22 million for the eradication of brucellosis and tuberculosis in livestock—activities which primarily benefit the consumer.

While all of these programs are necessary, I think it is important for us to note that very substantial appropriations—over \$1 billion—in the bill are primarily for the benefit of consumers and others, rather than for the benefit of the farmers and ranchers of the Nation.

Over one-half a billion dollars of the appropriations represent expenditures on REA and Farmers Home Administration loans which are repayable, and on which the repayment history is excellent.

Mr. President, having concluded my brief statement, I am glad to yield. I promised first to yield to the Senator from South Dakota [Mr. MUNDT]; and at this time I am pleased to yield to him, if he wishes to have me do so.

Mr. MUNDT. I thank the Senator very much. I simply wanted to make a

few comments relative to the colloquy engaged in by the Senator from Illinois and the Senator from Indiana, and to point out that there is validity in what they both have said, but I think, first, that the committee in giving the Department a \$2 million increase over the House figure for utilization research, has provided in the bill all the money the Department of Agriculture has requested; and, second, all the money the Department of Agriculture shows any indication that it can use.

I do not think it is going to provide any solution for the Senator from Indiana to suggest that the Department have \$10 million or \$20 million or \$50 million more. I agree with the Senator from Illinois in that regard. We are providing in this bill the maximum go-ahead for the existing research utilization in the Department. I myself offered an amendment to increase the amount \$2 million. I believe it carried unanimously or with only a few dissenting votes. That amount was within \$185,000 of what the Department had requested. As the distinguished chairman of the subcommittee has stated, it was the greatest single increase received by any service in the Department of Agriculture.

What we in the Congress should do is recognize the challenge of research into uses for farm products. We should move in the direction of establishing a separate commission or board or director of research in the utilization of farm products for industrial purposes, and should provide for that group a considerable sum to put such a program on a crash basis, as we did in the field of synthetic rubber and guided missiles, or as we would do in any area where we want to get progress. We are never going to get a program out of the wormwood stage by putting such a program in a department which employs only hired scientists. We are going to make progress only by utilizing the genius of America, from its industrial organizations, its educational institutions, and its chemical plants. If we provided funds and a director, and gave him enough latitude so he could spend money in subsidies, bonuses, and incentive payments working with private industry we could get somewhere. But, so far as the Department of Agriculture is concerned, at the slow pace at which it is moving, I am sure the \$2 million is going to be enough.

Mr. RUSSELL. I am sure the Senator from South Dakota means \$2 million added to what has already been appropriated.

Mr. MUNDT. Yes; I refer to the \$2 million additional.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I had promised to yield to the Senator from Oregon. Then I shall be happy to yield to the Senator from Nebraska.

Mr. MORSE. I should like to ask the Senator from Georgia a question or two. Before I ask the questions, I wish first to express my very deep appreciation for the great leadership the Senator from Georgia has given the Senate for many

years in connection with agriculture appropriation bills.

Mr. RUSSELL. I thank the Senator.

Mr. MORSE. I do not think agriculture has a greater friend in the entire Congress than the distinguished Senator from Georgia. I want the Senator from Georgia to understand that the questions I shall raise in regard to the appropriation bill are raised not with any criticism at all. I wish him to know that the questions are based on inquiries I have received from people in my State and from farm organizations. I want him also to know that I do not believe in participating in political gestures. I could offer a series of amendments based upon the protests I have received, but, unless the chairman of the subcommittee feels that there is some chance for an amendment on any of the points raised being adopted, I shall not, as a mere political gesture, offer an amendment.

My first question goes to the matter of the cuts in funds for experiment stations, which the Senator has discussed somewhat already. It is my understanding that the House cut \$4,500,000 from the payments to State experiment stations as called for in the budget estimate. It is my understanding that the Senate bill, as reported by the Senator from Georgia, in effect restores \$1 million of that cut. Is that correct?

Mr. RUSSELL. The Senator from Oregon is correct. The reduction, of course, was made in the budget estimate, not in the current appropriation, I may say. The Senator from Oregon is well aware of the fact that we have manifested an intense interest in the work of the State experiment stations in recent years. Since 1952 the committee and the Congress have increased annual appropriations for the State experiment stations from \$12,670,000 to \$29,503,000. The bill before the Senate allows an increase of \$1 million over the current appropriation.

No Member of the Congress believes more strongly than I do in the State experiment station work. Many of the most amazing developments in our agricultural revolution have come about as a result of the cooperative work between the Federal Government and the State governments at the State experiment stations.

The Senator from Oregon is, of course, aware of the fact that this is a rather unusual year for dealing with almost any appropriation. The fact that the committee allowed a \$1 million increase over the current appropriation did give this activity a slightly preferred status over those which did not get an increase of even \$1, or took a reduction.

I would have liked to have seen the \$4½ million appropriated. I am sure it could have been programed and the money well expended; but, in my judgment, we are in a better position if we keep the appropriation at an increase of \$1 million, and insist on that amount in conference, than if we arrived at an unrealistic figure that would cause us to lose the entire item if it were taken back to some other body for a vote.

Mr. MORSE. Am I correct in my understanding that the Senate committee



has allowed \$9,800,000 more than the House figure for the entire agricultural research program?

Mr. RUSSELL. No; a part of that represented a transfer. The House took soil and water conservation research out of the regular research program and put it under Soil Conservation Service. The Senate committee restored it. A part of the increase is reflected in that item. The real increase is only about \$2,800,000. However, that figure does not include the appropriation for the State experimental stations, which will be found under another item.

Mr. MORSE. So the increase for agricultural experiment stations is a little more than \$3 million.

Mr. RUSSELL. The total increase in the research appropriation is considerably more than \$5 million throughout the bill.

Mr. MORSE. A little more than \$4 million?

Mr. RUSSELL. Yes.

Mr. MORSE. The Senator, in his explanatory remarks, spoke about plant diseases, experiment station funds, and brucellosis. I should like to tell him of a conversation on the long distance telephone last night, which is supported by some telegrams I shall ask to put in the RECORD. Mr. Ed Coles, who is president of the Oregon Cattlemen's Association, who is one of the great agricultural leaders in Oregon, and who works closely with various research groups—and I also had strong representations on this matter from our experiment stations—asked me if I was aware of the fact that the brucellosis program as provided in the bill is not adequately financed in the sense that a great many of the State programs will have to be cut out. He points out that, as the Senator from Georgia and I know to be the case, discoveries are still being made in regard to the effects of brucellosis.

Just a few days ago we read in the press about the findings of a medical research group in regard to health hazards to human beings caused by brucellosis, over and above those which were previously known as constituting serious threats to human life.

Mr. Coles pleaded with me over the telephone last night to seek on the floor of the Senate today to get the viewpoint of the Senator from Georgia in regard to the brucellosis program, and to see if there is any chance at all of getting some increase in the brucellosis fund, because, as he reports to me, a reduction in funds for the program will do great damage to State programs which are already underway, by which it is hoped to stamp out Bang's disease. Will the Senator from Georgia enlighten me as to what he thinks the situation is in regard to the brucellosis program?

Mr. RUSSELL. Mr. President, I can say to the distinguished Senator that this is a program the details of which the eminent Senator from Oregon, an outstanding cattle breeder, is more familiar with than I am. I have dealt with the problem in the agricultural appropriations bills for years. This is the 25th such bill. I can remember when a

chairman of the full Committee on Appropriations, who had a herd of cattle, shuddered at the suggestion that there could be any such thing as Bang's Disease, and opposed an appropriation for that purpose. That has been within the last quarter of a century, for I am not talking about what happened in the 1800's.

Of course, a great deal has been found out about this disease. It is not only very costly to the farmers for it causes them to lose calves, but it is also a threat to the human consumers of milk and dairy products. We have had a program for many years which has undertaken to deal with it.

I will say to the distinguished Senator that at the present time we are appropriating \$20 million for this purpose, which is the full amount authorized by law. The increased authorization, to \$20 million, was not passed until 1956. Prior to that time, it was approximately \$15 million. This bill carries the full amount authorized by law. It would take legislation to enable us to increase the Federal appropriation for this activity.

Mr. MORSE. I thank the Senator very much. That is precisely the kind of information I needed in this colloquy in order to properly advise Mr. Coles in regard to it.

Mr. Coles raised another question in connection with the so-called meat preservation experiments, and he pointed out that Oregon State College had joined in a cooperative research program on meat preservation. They have hired their personnel. They have committed their contribution to the program.

Mr. Coles is advised that this bill does not carry a sufficient amount of money for the meat preservation experiment program, and he wanted me to raise a question today with respect to whether or not the chairman of the committee thought there was any possibility of having restored to the budget the funds which the Department of Agriculture had previously been authorized to expend. Is the chairman aware of such a program?

Mr. RUSSELL. Mr. President, I must say if that is the fact it grows out of a departmental decision in allocating the \$1 million increase we have proposed. We may be counting our chickens before they are hatched in the case of the \$1 million. There has been no reduction in the program and the appropriation for last year. The fact is we have allowed the full amount of the budget requested for this item in the next fiscal year. We allowed, in this bill, a \$1 million increase over last year.

I am not completely familiar with the activity to which the Senator refers, but I think it is one in which 3 or 4 States and the Federal Government are cooperating.

Mr. MORSE. The Senator is correct. Several State colleges are cooperating.

Mr. RUSSELL. I have a recollection that I have heard of that particular project. There is nothing to prevent the Department of Agriculture from allocating from this \$1 million increase, when and if it is approved, a sufficient amount to help carry on that work, al-

though of course it means the funds will have to be spread rather thin, because it is \$1 million out of a \$4½ million budget estimate.

Mr. MORSE. My guess is that what is happening is that the Department of Agriculture officials involved are probably advising that if the \$4½ million for experimentation work is not restored, they will have to cut such projects.

Mr. RUSSELL. That they will not be able to make an allocation for this work.

Mr. MORSE. That leads me to the next question, and I should like to have the Senator's frank appraisal, after which I am going to follow his judgment.

I have received certain telegrams, and I am going to ask permission to insert them in the RECORD. I should like to ask the opinion of the chairman on the point I now mention: If I carry out the suggestion in some of these telegrams, namely, to offer an amendment to increase the amount for experiment station allowances by \$4½ million assuming for the moment that I succeeded in having it adopted by the Senate—which could be a false assumption, since I am inclined to think I would not be able to do so, over the objection of the Senator from Georgia—would that make it more difficult for the Senator in conference to hold the \$1 million already added to the bill, as it came from the Senate committee?

Mr. RUSSELL. Mr. President, let me say first to the Senator from Oregon that he of course understands how a Senator in charge of a bill can be placed in a certain position. Although the Senator from Georgia might be strongly in favor of the \$4½ million increase for the State experiment stations, he had difficulty getting \$1 million from the committee he represents on the floor, and he is committed to that amount. It would be his duty to defend the increase, or to at least keep it limited to what the committee recommended.

Mr. MORSE. The Senator would have equal difficulty, in the conference committee, even in holding some of the Senate conferees?

Mr. RUSSELL. I had not reached that point. It is my intention to insist very vigorously upon this Senate amendment when and if this bill reaches the conference stage with the other body. If it were a \$4½ million item, and the Senate insisted, I think there would be a very remote possibility that the amendment would ever carry on the floor of the House, whereas a \$1 million increase would have a substantially better chance of approval.

Mr. MORSE. The Senator in his general statement on the bill also mentioned the matter of research and experimentation in connection with plant diseases, such, for example, as the potato blight. Does the amount of money for research into plant diseases fall into the same category which involves the \$4½ million cut on the House side?

Mr. RUSSELL. No. There are some different phases involved. There is the purely Federal research, and then there is the joint State-Federal research. I do not remember at the moment whether the research in the case of po-



tato blight is done purely as a Federal function, or as a joint State-Federal function, but whatever its status is there can be no reduction in that research, because we have provided on the minimum the same amount of money they have for the current year.

Mr. MORSE. I wish to thank the Senator from Georgia very much. I have decided to make any future remarks on my own time, later on in the debate.

Mr. RUSSELL. I am always glad to hear the remarks of the Senator from Oregon on agricultural matters. He has always been a valuable friend of the American farmer.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. I wish to thank the chairman of the committee. I can assure my colleagues that my questions will be few and to the point.

With respect to the expenditures covered by the bill, I listened to the Senator from Georgia list the reimbursements to the Commodity Credit Corporation. I should like to ask the Senator if in the bill and in the report the amounts which are to be reimbursed to the Commodity Credit Corporation for our foreign policy requirements are grouped as such?

Mr. RUSSELL. They are not.

Mr. HUMPHREY. It seems to me that somewhere in the discussion of this agricultural appropriation bill the expenditures which relate to foreign policy matters ought to be tabulated. For example, consider the sales of surplus commodities under Title I, Public Law 480, the donations under title III, and the activities under title II of Public Law 480. All this relates to the fulfillment of American foreign policy objectives.

Mr. RUSSELL. Of course, the Senator from Minnesota is correct. For that reason, although it is not spelled out in the bill, it is all to reimburse the Commodity Credit Corporation for its impaired capital structure. I read the figures so that they would appear in the RECORD, and stated that practically \$1 billion of the money was more in the field of international relations and foreign policy than in the field of agriculture.

I gave a figure of \$637 million to reimburse the Commodity Credit Corporation for sales of commodities for foreign currencies. There is \$94.5 million for emergency famine relief for friendly peoples. There is \$92,930,000 for the International Wheat Agreement.

Mr. HUMPHREY. All those relate to specific objectives in American foreign policy.

Mr. RUSSELL. Yes. I stated that there was more than \$1 billion in the bill which might be included in the category not having to do primarily with the agricultural situation in this country.

Mr. HUMPHREY. Some of the foreign currencies we have are not considered an asset to the Department of Agriculture until they are converted into dollars, or reimbursed.

Mr. RUSSELL. A great deal of it never is reimbursed at all.

Mr. HUMPHREY. That is correct. Therefore, it is considered a loss.

Mr. RUSSELL. It is a complete loss.

Mr. HUMPHREY. It may be that some other department or service of the Government gets the benefit of the use of such currencies.

Mr. RUSSELL. The State Department has personnel in all those countries, and some of the counterpart funds are used by them. Some of the counterpart funds are spent on activities within the country.

Mr. HUMPHREY. Indeed.

Mr. RUSSELL. For the improvement of railroads or highways, or for building dams or irrigation projects.

Mr. HUMPHREY. To the extent of about 60 percent.

Mr. RUSSELL. Yes.

Mr. HUMPHREY. We are going into that study now. I wanted to have the RECORD show that the expenditures which have been listed as Department of Agriculture expenditures, and have been heralded in the press as a four or five billion dollar cost for agriculture, are not all agricultural costs.

Mr. RUSSELL. Of course not. One of the most commendable programs in the bill is the school-lunch and school-milk program, which costs \$145 million, not including the surplus commodities which are given. Only 13 percent of the schoolchildren of the country could possibly be purely farm children. The program helps children in urban communities. It is a good program, but it is not properly chargeable strictly to agriculture.

Mr. HUMPHREY. It is not an agricultural cost.

Mr. RUSSELL. It is not an agricultural cost. Even the cost of the meat-inspection service is charged to the farmer, but the meat-inspection service protects the American consumer who buys meats on the market.

There is also a tendency, in looking at the size of the bill, to say that all of it is appropriation; but more than half a billion dollars represents loans made through the Rural Electrification Administration and the Farmers' Home Administration, both of which have excellent records of repayment. The money is turned back into the Treasury.

Mr. HUMPHREY. How much of this appropriation would the Senator estimate could be attributed directly to expenditures or costs for the operation of a farm program, as related to the farm economy?

Mr. RUSSELL. I have never approached the question directly in that way. However, the sums of \$637 million, \$95 million, and \$93 million, involve sales for foreign currencies, and emergency famine relief under the International Wheat Agreement. Then there is \$310 million worth of materials secured in barter, which goes into the stockpile for the national defense effort. The sum of \$225 million goes for shipping, under the proviso that one-half of it must be shipped in American bottoms. I have not totaled all the items.

Mr. HUMPHREY. They total about \$1,300,000,000.

Mr. RUSSELL. About \$1,300,000,000 or \$1,400,000,000 of this amount is properly chargeable to international relations and foreign policy, rather than to the farmers.

Mr. HUMPHREY. There is another \$500 million in loans made through the REA and the FHA.

Mr. RUSSELL. There is \$145 million for the school lunch and milk program, and \$17 million for the meat inspection item.

Mr. HUMPHREY. So about \$2 billion out of this appropriation could be declassified, as being nonagricultural.

Mr. RUSSELL. It represents activities which are just as important to any citizen of the United States living in a penthouse in New York as they are to a farmer in Minnesota or Georgia.

Mr. HUMPHREY. I thank the Senator for his observations and for the information he has given.

I should like to ask one question on the subject of brucellosis control. I heard the Senator from Oregon [Mr. MORSE] asking about it. Would the appropriation before us result in cutting down a State program, such as that carried on in the State of Minnesota?

Mr. RUSSELL. No. No reduction in the appropriation is involved. The appropriation recommended is \$20 million, which is the full amount authorized by law, and the same as the amount appropriated last year.

Mr. HUMPHREY. So we can continue with the same schedule we had last year?

Mr. RUSSELL. There will be just as much money as was carried in the bill for the present year.

Mr. HUMPHREY. Through the fiscal year 1958?

Mr. RUSSELL. Yes.

Mr. HUMPHREY. I should like to ask a question in reference to the soil-conservation program. I refer the Senator to the language on page 26, line 6, under the head, "Agricultural Conservation Program Service." The amount which is fixed as the maximum for any participant under the soil-conservation program is \$1,500. Is that correct? I believe the House set the figure at \$2,500.

Mr. RUSSELL. The House had placed the figure at \$2,500, but the amount carried in the bill at present, and the amount which has been carried for the past 3 or 4 years, is \$1,500. Without being apprised of the specific reasons for the increase, the Senate committee went back to the old figure, so that we could ascertain if there was any justification for the increase when we meet with representatives of the other body in conference.

Mr. HUMPHREY. I appreciate that, and I shall not press the item at all. I merely wish to explore the subject for a moment with the Senator.

As I understand, the reason given by the proponents for the increase in the House, which was agreed to by a majority, relates to what we call gully control. In the hilly country, there is a great deal of soil erosion due to the rapid flow-off



of water, and gullies develop. Because of the increased cost of labor and materials for gully repairs and conservation practice relating to gully repair, the \$1,500 item has been considered to be too small. I ask the Senator, when he goes to conference on the bill, to examine quite carefully the debate.

Mr. RUSSELL. I shall approach the question with an open mind. The Department did not ask to have the amount increased to \$2,500. No testimony was submitted to the committee in justification of the increase. In the absence of any reason for the increase being called to our attention, we set the figure at the old level of \$1,500. I shall certainly approach that subject with an open mind when the bill goes to conference.

Mr. HUMPHREY. Let me ask the Senator again with reference to the conservation reserve program. As I understand, the maximum amount provided on page 28, line 18, is \$7.50 an acre "for conservation reserve contracts entered into 30 days after approval of this act."

As I recall, the national average last year was around \$11.

Mr. RUSSELL. The average paid under contracts concluded, up to this year, is \$8.84.

Mr. HUMPHREY. Yes; I remember that.

Mr. RUSSELL. The figure in the Senate committee version of the bill represents a reduction of \$1.34 throughout the Nation, which would have to be applied. I shall discuss that question later. The Senator from South Dakota has an amendment seeking to eliminate that reduction, but I shall take the position that the committee's action was completely justified in the light of the testimony before us. Very large practice payments are made, some of them for building dams. In one instance the payments amounted to as much as \$1,062 an acre, in addition to annual payments for the land which is flooded. That is an extreme case and the most expensive one I know of. This is an effort to get the Department to be a little more careful in examining the conservation reserve program, in which I think we all have more hope and faith than in the acreage reserve program.

Mr. HUMPHREY. I am glad to hear the Senator say that, because I feel that the conservation reserve program offers the greatest opportunity for long-run good.

Mr. RUSSELL. Over the long run; yes.

Mr. HUMPHREY. In my State, for example, the average payment was around \$11 an acre, I believe.

Mr. RUSSELL. This provision would not bring down the maximum that is paid for any one type of land in the Senator's State. The farmers may still be paid just as much as they have been paid on the highest level, but they would find it necessary, in classifying the land as to productive land and marginal land, and so forth, to bring the State average down—

Mr. HUMPHREY. I should say that I think it was about \$11.

Mr. RUSSELL. It would bring the average down to about \$1.24 less than that.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. The figures given to me by the Department of Agriculture indicate that the current average for Minnesota is \$11, and that if the bill as it is written passes, the average would be \$8 for the coming year, rather than \$11.

Mr. RUSSELL. That cannot possibly be correct.

Mr. AIKEN. That is the advice I have received from the Department of Agriculture.

Mr. RUSSELL. If the Senator will look at the language on page 28 of the bill, he will see that the bill provides:

That the average annual rental payment per acre shall not exceed \$7.50 per acre for conservation reserve contracts entered into 30 days after approval of this act.

If he will then look at the column under Minnesota, he will see that the average payment for Minnesota is \$9.09 an acre. That is the average annual payment per acre on signed contracts.

Mr. HUMPHREY. That is correct.

Mr. RUSSELL. It is \$9.09 for Minnesota.

Mr. HUMPHREY. That is why I said I was not certain about the \$11 figure. I heard both figures mentioned.

Mr. MUNDT. Mr. President, there is no need for any uncertainty about it, because it is \$11. That was the offering rate. The actual sign-up rate shows in the right-hand column as \$9.09. That is due to the fact that in the States there are some nondiverted acres, which are not included, and as a consequence there is a reduction, which is shown in the righthand column. The Senator from Minnesota can be assured that if a \$7.50 acre rate prevails, everytime a State somewhere gets \$10 an acre, some other State will get \$5 an acre, in order to maintain the \$7.50 rate. Therefore, it will pull down the returns of the farmers in Minnesota substantially.

Mr. HUMPHREY. My concern is that we must make the rental price adequate enough to induce farmers to enter the program.

Mr. MUNDT. And to deal equitably with the farmers who cooperate.

Mr. HUMPHREY. I hope we can get out of the acreage-reserve program, which was a limited program, and get into the conservation-research program, because that is the one that offers the long-term good.

Mr. MUNDT. As the Senator realizes, as a member of the committee, that day is not too far removed. This program will run, I think, for a contemplated 10 or 11 years.

Mr. HUMPHREY. As I understand, the Senator from South Dakota has an amendment to offer on that point.

Mr. MUNDT. The Senator is correct.

Mr. HUMPHREY. I shall be very much interested in it.

Mr. AIKEN. I merely wish to state that the Department of Agriculture advised me last evening that the \$10.11 figure is the national average and that if the \$7.50 figure becomes law it will affect the States which the Department lists in its letter to me. The letter goes on to list about a dozen selected States. In that list Minnesota is shown as \$11

under the current level, and \$8 under the \$7.50 maximum.

Mr. RUSSELL. I believe the figures that the Senator from Vermont has before him are the figures which were furnished to the Committee on Appropriations. They were furnished to show the situation in the States represented on the Committee on Appropriations. Minnesota happens to be one of those States. Those figures deal with the original amendment, not with the present amendment. The original amendment, which was approved by the subcommittee, placed a flat average of \$7 an acre within the States. When we got to the full committee, that portion of the bill was rewritten on a national average basis.

Mr. AIKEN. I am merely submitting the figures which I received from the Department of Agriculture.

Mr. RUSSELL. That does not conform with the testimony given to the committee, because the figures we have show the average payment per acre on signed contracts.

Mr. HUMPHREY, Mr. AIKEN, and Mr. CURTIS addressed the Chair.

Mr. RUSSELL. Mr. President, the Senator from Idaho [Mr. CHURCH] has been on his feet for some time to ask some questions. I feel that the fact that he has been asking recognition for some time, and because I have yielded to 6 or 7 other Senators, I should first yield to the Senator from Idaho.

Mr. CHURCH. I thank the Senator for his courtesy. I should like to say at the outset that the Senator from Georgia and the committee should be commended for the work they have done on the bill. I, for one, certainly concur in the sentiment expressed by the distinguished Senator from Georgia with respect to the importance of the agricultural research work. I want to commend him and his committee for the recommendations they are making generally in this regard.

Mr. RUSSELL. I thank the Senator.

Mr. CHURCH. I have a question which concerns the soil and water conservation research program. It was my understanding originally that the budget estimates included a total increase for soil and water conservation program work in the amount of \$840,000. When this was called to my attention I was naturally interested in knowing what part of the increased amount would be spent in the State of Idaho. Upon inquiry, I was informed on April 15 of this year by Mr. B. T. Shaw, Administrator of the Agricultural Research Service, as follows:

There is currently allocated \$40,810 for soil- and water-conservation research in Idaho. This includes \$33,160 at Boise and \$7,650 at St. Anthony. The 1958 budget estimates include a total of \$88,920 for this research in Idaho, of which \$46,100 is for program increases and \$2,010 is to meet increased retirement costs under Public Law 854 (84th Cong.).

Mr. Shaw then sets forth where the increased amount is to be used.

This morning, after the committee had taken its action on the bill and rendered its report, I received another communication from Mr. Shaw, in which he advises me that the total allocated under



the Senate report for soil- and water-conservation reseach, as allocated by the Department of Agriculture, permits only \$411,600 to be available as an increase for the research program.

He states in his letter that inasmuch as less than half of the original amount called for in the budget estimate has been allowed by the committee, none of the increased programing that had been contemplated for Idaho is now contemplated by the Department. He concludes by saying:

We regret that it will not be possible to go ahead with this important program in Idaho under the bill as reported by the Senate committee.

I should like to ask the distinguished Senator from Georgia whether the report I received from Mr. Shaw today conforms with the committee's own understanding as to the allocation of this money for soil- and water-conservation purposes.

Mr. RUSSELL. Of course, I cannot answer that question definitely in specific terms. The committee allowed an increase over the current appropriations of approximately a half million dollars, as I recall it, for soil- and water-conservation activities.

The Bureau of the Budget had asked for \$840,000. The matter of allocating increases is within the purview or the domain of the Secretary of Agriculture. I was advised by the very efficient staff representative of the committee that the Department had told him that some \$88,920 would be available for the State of Idaho under this appropriation. As to the accuracy of that statement, I cannot say, because the Department has the authority to allocate and divert the funds. But there is no reason on earth for completely discontinuing the work, even if it were dealt with on a percentage basis under the Senate appropriation. The Department would have to allow about half of the \$46,000, if they were to be fair to the activities in Idaho.

The whole budget increase was not allowed, it is true, and the Secretary has the authority to allocate the funds. But if the Department brought the item here as a budget request, they must have thought it was valuable to them, so they should, at least, carry on a part of the activities with the substantial increase of almost \$500,000 which was allowed in the bill.

Mr. CHURCH. That would be my view. I certainly hope the Department of Agriculture, in using the money which is made available, will conform with the expression of views by the chairman of the subcommittee.

Mr. RUSSELL. I certainly hope the Department will make some effort to deal with the problem which the Senator has in mind, because the committee has allowed about half the request.

Mr. CHURCH. I thank the Senator from Georgia.

Mr. President, in line with the impressions expressed by the distinguished Senator from Georgia, and in order that the research programs to which I have

made reference might be more fully identified, I ask unanimous consent to have printed at this point in the RECORD the correspondence to which I have made reference.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

UNITED STATES  
DEPARTMENT OF AGRICULTURE,  
AGRICULTURAL RESEARCH SERVICE,  
Washington, D. C., April 15, 1957.

Hon. FRANK CHURCH,  
United States Senate.

DEAR SENATOR CHURCH: Thank you for your letter of April 3, 1957, concerning correspondence on soil and water conservation research in Idaho, from Mr. Don G. Frederickson, President of the Idaho Association of Soil Conservation Districts. In accordance with your request, a copy of our reply to Mr. Frederickson is enclosed.

We appreciate your interest in this phase of our research program.

Sincerely,

B. T. SHAW, Administrator.

UNITED STATES  
DEPARTMENT OF AGRICULTURE,  
AGRICULTURAL RESEARCH SERVICE,  
Washington D. C., April 15, 1957.

Mr. DON G. FREDERICKSON,  
President, Idaho Association of Soil  
Conservation Districts, Gooding,  
Idaho.

DEAR Mr. FREDERICKSON: Thank you for your letter of March 28, 1957, concerning soil and water conservation research in Idaho and proposed increases for this research in fiscal year 1958.

There is currently allocated \$40,810 for soil and water conservation research in Idaho. This includes \$33,160 at Boise and \$7,650 at St. Anthony. The 1958 budget estimates include a total of \$88,920 for this research in Idaho, of which \$46,100 is for program increases and \$2,010 is to meet increased retirement costs under Public Law 854 (84th Cong.).

The program increases are as follows: +\$25,400, to expand existing research at Boise on the development of improved drainage practices, irrigation methods, water application systems, and general soil and water management for more efficient use in crop production. This is a part of a total increase of \$424,000 to increase efficiency in water management in relation to irrigation; +\$20,700, to initiate research at Moscow, Idaho, to establish data on streamflow characteristics and rainfall relationships of representative agricultural watersheds for design of measures and structures for soil and water conservation. This is a part of a total increase of \$208,000 for expanding research in watershed hydrology.

We hope this provides the information you desired. A copy of this letter is being sent to Congresswoman GRACIE PROST and to Senator FRANK CHURCH, in accordance with their wishes.

Sincerely,

B. T. SHAW, Administrator.

UNITED STATES  
DEPARTMENT OF AGRICULTURE,  
AGRICULTURE RESEARCH SERVICE,  
Washington, D. C.,  
June 11, 1957.

Hon. FRANK CHURCH,  
United States Senate.

DEAR SENATOR CHURCH: In response to a telephone request this morning from Mrs. Barnes of your office, there is shown below a breakdown of the funds provided for soil and water conservation research in the Senate Report on the Agricultural and Farm Credit Administration Appropriation bill, 1958, as

interpreted to the Department by the staff of the Senate Appropriations Committee:

|                                    |                       |
|------------------------------------|-----------------------|
| Base, fiscal year 1957-----        | \$5,391,110           |
| Increases for facilities:          |                       |
| U. S. Salinity Laboratory—         |                       |
| Riverside, Calif-----              | <sup>1</sup> +120,000 |
| Soils laboratory, reclamation      |                       |
| State-----                         | +450,000              |
| Soils laboratory, Midwest-----     | +450,000              |
| Soils laboratory, Mississippi----- | +450,000              |
| Soils laboratory, Southern         |                       |
| Piedmont Soil Conservation         |                       |
| Experiment Station-----            | +275,000              |
| Increase to meet retirement costs  | +252,290              |
| Subtotal-----                      | 7,388,400             |
| Senate report authorized a total   |                       |
| of-----                            | 7,800,000             |

|   |          |
|---|----------|
| Increase provided for program research----- | +411,600 |
|---|----------|

<sup>1</sup>Includes \$20,000 for alterations.

The budget estimates included a total increase for program work in the amount of \$840,000. Inasmuch as less than half of this amount would be available under the Senate report, it has been necessary for our research people to select the problems which are most important from the nationwide point of view. Under this requirement, the increase originally allocated to Idaho in the amount of \$46,100, as mentioned in my letter of April 15, 1957, to Mr. Don G. Frederickson, President, Idaho Association of Soil Conservation Districts, would not be included in the amount made available by the Senate committee action.

We regret that it will not be possible to go ahead with this important program in Idaho under the bill as reported by the Senate committee.

Sincerely,

B. T. SHAW, Administrator.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CURTIS. I thank the distinguished Senator from Georgia. I wish also to express my appreciation for his dedication to the cause of agriculture, not only in the handling of this bill, but throughout the years.

Mr. RUSSELL. I thank the Senator from Nebraska.

Mr. CURTIS. I particularly wish to mention his interest and assistance in getting underway a program of industrial uses of surplus agricultural products. Likewise, I would commend the soundness of the words expressed by the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. MUNDT], and the Senator from Illinois [Mr. DIRKSEN]. There is a viewpoint which is not only sound; it is one which has vision and which provides an opportunity for a sounder solution of agricultural programs.

I believe there are great opportunities for the development of new markets for the farmers by increased industrial uses. I do not think that objective can be attained, however, by merely increasing the dollar amount of the appropriation for that purpose. Congress should undertake to write a legislative policy. That policy should create an authority—I believe it should be a board with a director—charged specifically with this objective. The board should be given power not only to utilize the research facilities of the Government, but also to contract



with private parties, with land grant colleges and other colleges, yes, even with foreign agencies, because industrial products may well be developed which will have great possibilities for export.

Such a policy should also incorporate a plan for incentive payments to farmers, so as to encourage them to grow new crops. It should provide incentive payments to business to undertake to use the crops for industrial purposes. This good earth of ours can produce several thousand different types of plants. Our agriculture industry has confined its production to perhaps 150 kinds of plants down through the years. Agriculture has been researched out of its own markets. The soles of perhaps three pairs of shoes out of four are made of products other than leather. Synthetics have taken markets away from the producers of cotton, wool, and flax.

More research is needed, but it needs to be coupled with a program of action. One of the important steps in such a program is that of trial commercialization, so that the ideas developed in the laboratories will not remain on the shelves, but will be set in motion.

We might learn a lesson from the development of synthetic rubber in World War II. The United States Government floundered around until a policy was determined to fix in one place the responsibility to produce synthetic rubber. It was produced from agricultural products, under the leadership of a distinguished citizen from my State, Mr. William Jeffers. The agricultural problem needs to be approached in that way again.

The Commission appointed by the President has done outstanding work. Very shortly I shall submit to the Senate a legislative proposal based upon the Commission's recommendations. In doing so, I shall communicate with each Senator and send him a copy of the bill, in the hope that all or many Senators will join in cosponsoring its introduction.

I thank the distinguished Senator from Georgia.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. STENNIS. I commend the Senator from Nebraska for the work he has done as the author of the bill to provide for a commission on the utilization of farm products. I think the commission's report will prove to be a very useful one and a milestone in finding additional uses for agricultural products. I commend the Senator highly for his work in this matter.

Mr. CURTIS. I thank the Senator from Mississippi.

Mr. STENNIS. I wish to add a word to what has been said with regard to the agricultural research program, in which utilization and unit cost feature have been emphasized. I point out that it is still true that the production of agricultural commodities needs to have continuing research programs, not especially at the present time for increasing yields, perhaps, but, as the chairman of the subcommittee pointed out a few minutes ago, for improving the quality of the products grown. As he stated, per-

haps 90 percent of the wheat grown in States like North Dakota is grown from a species of seed which has been developed within the past 4 years through production research, although it was chiefly produced in order to obtain rust and disease resistance. These programs should be continued in order to improve production which will always have an important place in agriculture.

I regret that even though the chairman of the subcommittee offered an amendment and led the fight in the subcommittee for an increase in funds, the amount for agricultural research for State experiment stations in sustaining a 10-percent decrease under the budget estimate. Perhaps that is the largest decrease of any program of its kind which we have passed on to date.

This year Congress will be called upon to appropriate more than \$4 billion for military research. The fact that that amount is appropriated for military research and development does not justify any particular figure for agricultural research, but it certainly proves that the Nation is able to provide the money.

One thing that can be said with reference to the decrease is that for 2 consecutive years there had been an appreciable increase in funds for agricultural research, and that an enlarged program has been put into effect. It is now a going concern. I hope the decrease now will not mean—and I do not feel it will mean—an abandonment of the program or that it will be curtailed in future years. I think the record ought to be made clear on that point now.

The same is true of the extension service, which is sustaining an appreciable decrease under the budget estimate, although the amount is being increased in the Senate version of the bill over the House version.

I hope that decrease does not indicate that we are to abandon the expanded program in any way. We have increased the Extension Service funds in recent years. It must be continued on a broader and broader scale each year; and I certainly hope the expansion of the program will be continued, as it is more justified.

Mr. RUSSELL. Mr. President, I wish to say that I have never known a more ardent supporter of the State research experiment stations and the Extension Service than the distinguished Senator from Mississippi. Regardless of whatever action the committee may take in the future in respect to these appropriations, I can assure the Senate that votes will be taken on motions which will be made by the distinguished Senator from Mississippi, and which I am quite confident I shall be able to support, to see to it that this very important work is properly maintained.

Mr. STENNIS. I thank the Senator from Georgia. I merely wanted the RECORD to show that there is strong sentiment for a continuation of the enlarged programs for both the Extension Service and for Agricultural Research.

#### ACREAGE RESERVE PHASE OF THE SOIL BANK

Mr. President, the acreage reserve phase of the soil-bank program is not the correct approach to our basic agri-

cultural problem. The farm program as a whole will rue the day it was forced into a system of awarding Federal payments for failing to plant or cultivate land. A full reappraisal of this program, and particularly its effect on farm income and its impacts on the local economy, is urgently needed. While the short-run money gains of this program are tempting, I believe that the farmers who continue to cultivate and improve their land will not only be better off in the long run, but will help out other segments of the local economy who are dependent on the land. These segments include tenants, renters, merchants, bankers, ginners, and other processors at the county and community level. While I will vote for funds to operate this program for another year at a reduced level, I shall do so only because no other program is now available as a substitute. I strongly believe that the acreage reserve should be systematically abolished.

The commitments of large acreages of land placed in the acreage-reserve program will encourage inefficiency, disrupt the balance of our local economy, and will in the end bring strong criticism of the agricultural program. A large part of the total budget request for the entire Department of Agriculture for fiscal year 1958 is for the acreage reserve; and even with this great expenditure to encourage idle acres, the Secretary of Agriculture has predicted that the acreage allotment for cotton in 1959 will be 3.5 million acres less than we have in the current year. This level of acreage would be far too low for economic survival of the cotton farmer and the cotton industry. This is clear admission on the part of the Department of Agriculture that the acreage-reserve program will not work and that it does not provide a sound approach to our basic problem.

The most serious threat of a program of this nature is that it encourages idle acres, without adequate safeguards for sound conservation measures, and in the final analysis it will tempt farmers to sell their homesteads. Land values are increasing, and will continue to become more valuable as population increases. Many rural communities at the present are experiencing widespread shifts in land ownership. Farms are getting fewer and larger; and as this pattern develops, local stores, banks, and merchants will feel the full impact of fewer customers. Special attention must be given to reappraising our present program with the objective of encouraging full utilization of all land from the standpoint of restoring fertility and increasing income. The acreage reserve program could make a much greater contribution to agriculture by using at least a part of the funds for meeting competition and stimulating expanded markets for agricultural products, and thereby increasing acres.

I shall vote for the appropriations for this program for 1958 with the full hope and belief that a substitute program will have to replace the acreage reserve after 1958.



## CONSERVATION RESERVE PHASE OF THE SOIL BANK

The conservation reserve part of the soil bank is a more constructive measure, since it is an investment in terms of the future, and will give long-range benefits to each individual participating. This phase of the program, however, needs to reach more of our small and family-size farmers. It is these small landowners who have the most difficult problem of idle acres and erosion.

Mr. WILEY. Mr. President, will the Senator from Georgia yield to me?

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Does the Senator from Georgia yield to the Senator from Wisconsin?

Mr. RUSSELL. I am delighted to yield to the Senator from Wisconsin.

Mr. WILEY. I wish to join the other Members of the Senate who have complimented the distinguished Senator from Georgia. I always listen with profit and with great interest to what he has to say, because he has a logical mind, and he always records the facts.

Mr. RUSSELL. Mr. President, the Senator from Wisconsin flatters me beyond my deserts; but I appreciate it, nevertheless.

Mr. WILEY. No, Mr. President, I do not flatter the Senator from Georgia; what I have said is the general consensus of all the other Members of the Senate. I am not in the habit of speaking carelessly or, as the saying is, "throwing bouquets." Instead, I am in the habit of stating facts.

Let me say, first, that I was interested in the discussion regarding research. I am satisfied that the answer lies in that direction. In Wisconsin, 18 billion pounds of milk are produced. In the Southland, oleomargarine has taken up to 50 percent or more of the spread market.

Mr. RUSSELL. I may say to the Senator from Wisconsin that the Southland is not responsible for all of that, because the soybean production in Illinois has also contributed largely to the production of oleomargarine.

Mr. WILEY. I agree. I was referring to oleomargarine only as an example. The increased use of oleomargarine has curtailed the market for butter and, consequently, the market for milk.

The Senator from Georgia remembers that last year I introduced a bill—and I expect to introduce a similar bill this year—providing for the establishment in Madison, Wis., which, after all, is the milk center of America, of a research laboratory. When I consider the miracles which have been accomplished regarding the utilization of corn, I realize that we have only touched the surface in the case of what can be done with the constituents of milk. For instance, I have a friend who makes what I regard as the most delicious candy made in the United States; and in making the candy, he uses, for 40 percent of the candy, processed cheese. It makes excellent candy, as I can testify, for I have eaten samples of it. That is only an indication of what can be done in utilizing the constituents of milk and their products.

The cow has been called the mother of the race; and I believe it obvious that

from milk it is possible to obtain extremely important products which can be utilized in many ways. As a result, I believe it will be found that the farm income in the State of Wisconsin can be greatly increased; and in that case there would be no need for the Government to provide any form of direct or indirect subsidy.

I may say that many groups are experimenting in respect to the utilization of milk. Other industrial groups are experimenting with wheat, specifically.

Certainly a laboratory which would concentrate upon research on milk, should be established. If it is established, I believe the answer to the problem will be found.

In connection with the vast production of milk, which is increasing all over America, I think various matters must be considered. First, we must consider how to increase consumption.

The other day I read a newspaper account which stated that in the metropolitan area of Washington, D. C., 50,000 persons will receive food assistance. Think of that, Mr. President. However, the milk produced in Wisconsin cannot be shipped into Washington, D. C.; certain barriers prevent that. Therefore, increased consumption must be provided for, in the first place; and, in the second place, better distribution must be arranged; and, in the third place, utilization programs of the type we have been discussing must be provided.

The distinguished Senator from Minnesota addressed himself to a problem which is quite general, although it is particularly localized in Wisconsin. In the western part of Wisconsin, bordering the Mississippi River, there are hills; and on the farms in that area, great gullies are virtually stealing the top soil.

Previous appropriation bills have included a limitation of \$1,500 on the amount which could be used for gully control. That program worked well when a dollar was worth a dollar. However, today a dollar is worth only fifty cents. Last year approximately 89 gully-control projects of that type in Wisconsin could not be commenced because of the \$1,500 limitation. In 1955, Wisconsin returned to the fund \$1,758,000; and in 1956, Wisconsin returned to the fund \$750,000.

Recognizing the seriousness of the soil-erosion situation, the House of Representatives has voted—as stated by the Senator from Minnesota—a maximum limitation of \$2,500. That will not cost the Government anything; but it will make possible the development of the 89 projects which are for the purpose of preventing the erosion of the top soil in the western part of Wisconsin into the Mississippi River and its tributaries.

Therefore, Mr. President, I hope the Senator from Georgia will give most earnest consideration to the provision voted by the House of Representatives.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement on this subject made by Representative JOHNSON. In his statement he quoted certain Wisconsin officials. The statement appears on pages 6166 and 6167 of the CONGRESSIONAL RECORD of May 15. Representative

JOHNSON described very fully the situation, and quoted from conservation officials in Wisconsin.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. JOHNSON. Mr. Chairman, I rise in opposition to the amendment striking out the figure \$2,500, lowering the present limitation in the bill before us.

I am principally interested in seeing the limitation left as it is in the bill so that more work can be done on gully control structures in States with a topography like we have in western Wisconsin. The present limitation was established at a time when construction costs were considerably less than they are today. People active in this work in Wisconsin tell me that the limitation is blocking gully control work because of increased costs. An incomplete survey in Wisconsin shows that 89 projects for gully control were not started last year because, under the present limitation in the law, the Government could not enter into the construction beyond the \$1,500 figure.

Many of the farms and hilly areas of western Wisconsin and other States with similar topography are unable to progress any further with soil conservation work unless the amount allowed for gully-dam construction is increased. The old \$1,500 limitation accounts for the fact that many States are not using the total ACP appropriation. Wisconsin returned \$1,758,000 in 1955, and the preliminary figure for the year 1956 shows that the State returned \$750,000.

In speaking to people engaged in soil-conservation work, I was told that for a number of years it has been impossible for the State to proceed with major gully-control work because of this provision in the law. They told me that if this exception were not included in the law, they would be able to go into the various watersheds, do part of the gully-control work on individual farms and, when the total project came up for planning, the cost-benefit ratio would come out favorably and the project would be eligible for Federal assistance.

I believe every member of this committee is aware that, if this condition is permitted to exist, areas where the gullies have made such headway will be without value for future farming operations and we will have a country similar to China, where soil erosion was permitted to run rampant for centuries. The gullies I refer to in my district have made such headway that, even if the farmers follow the conservation practices set up for them, they are unable to retard these large gullies from making further advances through the valleys without doing special gully-control work.

Let me quote from letters I have received from Wisconsin soil-conservation leaders concerning the price limitation. The first statement is from Mr. Henry E. Graff, chairman of the Eau Claire County board, and Mr. Arthur Donaldson, chairman of the Eau Claire County agricultural committee:

"The \$1,500 limitation per farm in the AC program has deferred the installation of large control structures. Construction costs have gone up to a point where the \$1,500 limitation does not provide for equitable cost sharing on large structures. It is our understanding that sizable unexpended balances from the AC program have been returned. We believe it would be far better to encourage the structure program by raising the present limitation and using at least a portion of the unexpended balance for permanent structures."

I should also like to quote from the letter of a man engaged in soil-conservation work in western Wisconsin:



"You are familiar with the rugged terrain of this area. Many of our farms have large gullies on them. In order to prevent them from spreading, it is necessary to construct earthen and mechanical structures at their heads. This sometimes runs as high as \$6,000 for a single gully. The average cost is probably close to \$3,000. Most of the farmers in this 6 or 7 county area cannot financially afford to spend this much on these gullies. The agricultural-conservation program of the Agricultural Conservation and Stabilization Service of the Department of Agriculture helps share the cost of these practices. The law states that the Government will pay 75 percent of the cost of these structures. However, another section of the same law states that no farm may earn over \$1,500 in any 1 year. In the case of gully control structures costing \$3,000, the percentage immediately falls from 75 percent to 50 percent because of the \$1,500 limitation. I understand that a change in the law requires an act of Congress. I feel that the \$1,500 limitation should be removed in case of structures and the 75-percent limitation alone apply."

The Dunn County Soil Conservation District annual report for 1956 also recommends a change in the law, and I shall quote in part from it:

"We would like to make one recommendation for a change in the above-mentioned ACP. We have an estimated 150 large gullies in need of gully control structures. Many of these will cost the farmers from \$3,500 to \$5,500 to install. Under the present ACP the Government will reimburse the farmer 75 percent of the cost of gully-control works. This is fine, but Congress has imposed a maximum payment per farm of \$1,500. Under this regulation the farmer is not able to recover anywhere near 75 percent of the cost. For the benefit of the gully-control program, we would like to see the \$1,500 ceiling raised to \$3,500 per farm for gully-control work only. Most of our farmers find themselves in a financial stress and are unable to spend necessary money to halt large gullies which are eating into valuable cropland and in some cases building sites. In most cases, these gullies are a threat to neighboring farms as well as to public highways."

In reply to an inquiry I made of a county agent to Wisconsin, I received the following statement:

"There is one item on which we might get more done, if the ASC aid was a little more realistic. The present incentive payments on erosion control structures put in by a farmer are 75 percent of the cost, with an upper limit of \$1,500. In this area, the average cost of structures has been about \$3,000, and a top of around \$6,000, which means that the average man only gets about 50 percent of the cost back, and in the larger ones, they would get as little as 75 percent."

This situation is not confined exclusively to my district. I am told the same problems exist in Kentucky, eastern Iowa, parts of Missouri and Nebraska, and perhaps in many other States of which I am not aware. I believe the purpose of the restriction is to prevent a few large farms from receiving large grants under the ACP, and I am in favor of this purpose. However, I would like to see the language changed so that the limitation of \$1,500 for individual farmers for doing gully-control work is raised to a figure compatible with current construction costs, or excepted entirely.

Mr. WILEY. Mr. President, if my colleagues will examine the statement I have just placed in the RECORD, they will realize that this situation must be met head-on, and that it will be possible to do so without costing more money.

Mr. RUSSELL. Mr. President, I can assure the distinguished Senator from

Wisconsin that, if in the conference any sound reason for increasing the amount for this item is advanced, I shall approach it with an open mind. I am not adamant about the matter. The amount had been \$1,500 for many years, and no evidence whatever as to why an increase should be made was presented by the representatives of the Department or by any other witness. In view of that fact, the committee decided to use the old figure, not having knowledge of the reasons which prompted the House to vote for an increase.

Coming from Georgia, I certainly believe in preserving the assets of the Nation. If our civilization is to endure as long as the Roman Empire endured, we must pay more attention than we have heretofore paid to the conservation of our soil. Every year, a smaller number of acres is required to support a person in the United States. I believe that at the present time 3.4 tillable acres are required for each person in the United States. With the population of our country increasing at the rate of approximately 7,000 a day, it is obvious that it is essential that all our fertile land must be conserved and protected.

Mr. WILEY. I thank the Senator from Georgia. It was for the reason I have stated that the House of Representatives voted the allowance of \$2,500. As I have said, many of the projects cannot be completed under the smaller allowance; and in the last 2 years large amounts of money have been returned to the Treasury, as a result of the smaller allowance.

Knowing the situation as I do, I wish to state that an increase in this item would represent the type of statesmanship the Senator from Georgia always manifests.

Mr. RUSSELL. I thank the Senator from Wisconsin.

Mr. MONRONEY. Mr. President, will the Senator from Georgia yield to me?

The PRESIDING OFFICER (Mr. CHURCH in the chair). Does the Senator from Georgia yield to the Senator from Oklahoma?

Mr. RUSSELL. I yield.

Mr. MONRONEY. I wish to congratulate the chairman of the subcommittee on the splendid job he has done on the Soil Conservation Service items and those relating to watershed protection in the case of the upstream dams. I appreciate very much the increase the committee has recommended, even though it is not quite so large as the one we wished for. Nevertheless, we realize that the budgetary pressures are very great.

Mr. RUSSELL. I may say that those 2 or 3 items are about the only ones in the bill which received the full amount of the budget estimates.

Mr. MONRONEY. I realize that, and we appreciate very much the fact that they were not cut.

In my State and elsewhere in the Southwest we have just experienced the most devastating floods in our history. As the distinguished chairman of the subcommittee knows, our rivers have washed hundreds of thousands of tons of sand and silt onto the fertile bottom

lands through which the rivers flow. From one end of the State to the other, there has been great flood damage. In the case of Oklahoma alone, more than \$50 million of damage has been done. The farmers are desperate; they wonder whether there will be any way for them to rehabilitate their land and to get rid of the sand which covers the land and to remove the large trees and logs and debris which litter the fields.

I wish to ask the distinguished Senator from Georgia whether in agricultural legislation there is authority which will permit appropriations to be made later on, to help these farmers defray a part of the cost of putting their lands back into shape.

Mr. RUSSELL. I think there is no question that there is authority for that activity, because such assistance has very properly been given in times past, when disaster as a result of flood has stricken various areas. I hold in my hand the overall law. It pertains to disaster relief. It is certainly sufficiently broad to cover almost any conceivable restoration of land damaged because of flood.

Mr. MONRONEY. Does the Senator refer to Public Law 875?

Mr. RUSSELL. Yes.

Mr. MONRONEY. That law deals, however, primarily with public agencies and not with private ones.

Mr. RUSSELL. As I understand, that is the authority which is utilized for the transfer of funds which have been appropriated for the President's disaster relief fund to the Department of Agriculture, to carry on the specific work which the Senator has in mind.

Mr. MONRONEY. Under the Department of Agriculture rules relating to soil conservation and ACP, the funds can be used to rehabilitate the land and to restore its productive capacity. Is that correct?

Mr. RUSSELL. That is correct. That is my understanding.

Mr. MONRONEY. But the floods occurred too late to enable the situation to be taken care of in the present or current appropriation bill. There are no estimates from the Department of Agriculture, are there?

Mr. RUSSELL. There is no specific request in connection with the floods which have been mentioned. Not being able to get a budget estimate, naturally the committee did not go into the field to examine the situation. Unquestionably, it is a matter which should be dealt with. I am of the opinion that there will be at least one, if not two or three, supplemental appropriation bills. If there is not sufficient authorization at the present time, such an authorization can be taken care of in a supplemental appropriation bill. As one member of the Appropriations Committee, I shall certainly lend a very sympathetic ear to any presentation which the Senator from Oklahoma may make with regard to appropriations in this field.

Mr. MONRONEY. I appreciate that assurance, because the States of Oklahoma, Texas, Louisiana, Arkansas, and parts of Missouri and Kansas are in rather desperate shape as a result of the flood conditions that now exist.



In the third supplemental appropriation bill, a copy of report on which I hold in my hand, funds in the sum of \$4 million are appropriated for the Department of Agriculture for this type of work; but I understand that all but \$1½ million of that will have to be reimbursed to the President's fund. Then, in another place, a reimbursement of \$11,500,000 is provided in the conference report, which will also be used to reimburse the President's disaster relief fund.

Mr. RUSSELL. If the funds can be reimbursed, there is no reason why we cannot reallocate the funds for disaster. I thought that was the purpose of disaster relief funds.

Mr. MONRONEY. I am glad to hear the Senator say that, because we shall desperately need some funds which will be available to agriculture through the President's disaster relief fund, which is now depleted. It will be replenished with money through the third supplemental appropriation bill. That money again needs to be applied to agriculture so that clearing of the land can take place.

Mr. RUSSELL. I hope the administration will take cognizance of this condition and submit a regular budget estimate for necessary relief as a result of the ravages of the flood. If that is not done, I hope the Committee on Appropriations will consider the matter. Whether it is necessary to replace the President's disaster relief fund or make a direct appropriation to the Department of Agriculture, I hope some steps will be taken to alleviate this condition, which is so disastrous to the farmers. I understand in the area of flood many farmers have not even planted crops. Perhaps they are better off than those who had planted crops, because those who had planted them lost their seed, fertilizer, and labor, and the land is now covered with logs and debris. If that is not a disaster, then I am unable to understand the implications of the word.

Mr. MONRONEY. It could become a permanent disaster unless the silt and debris is removed.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, will the Senator yield to me so that I may propound a unanimous-consent request?

Mr. RUSSELL. I yield for that purpose.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that an order be entered that when proposed to the pending bill H. R. 7441, the Agricultural and Farm Credit Administration bill for the fiscal year 1958, debate on the amendment of the Senator from South Dakota [Mr. MUNDT] striking out, on page 28, beginning with the colon in line 17 down through the matter in line 20 and inserting a period, submitted for printing on June 10, 1957, and lettered "B," shall be limited to 1 hour, to be equally divided and controlled, respectively, by Mr. MUNDT and the majority leader: *Provided*, That no amendment that is not germane to the provisions of the matter proposed to be stricken out shall be in order.

In the event any other amendment is proposed, debate shall proceed under a like arrangement as to the division and control of time.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. MUNDT. Mr. President, reserving the right to object, and I shall not object, I should like to have the majority leader give me his assurance that he will help me get a yea and nay vote on my amendment.

Mr. JOHNSON of Texas. I want to assure the Senator he will get a yea and nay vote. I do not want to assure him that I will help him get it. I have discussed it with the minority leader. The Senator will get a yea and nay vote on his amendment.

Mr. THYE. Mr. President, I just came from a committee meeting. Reserving the right to object, may I ask what the proposed agreement provides?

Mr. JOHNSON of Texas. One hour of debate on the amendment of the Senator from South Dakota, 30 minutes to a side; 1 hour on any other amendment, 30 minutes to a side; 1 hour on the bill, 30 minutes to a side.

Mr. CARLSON. Mr. President, reserving the right to object, am I to understand that the Senator from Texas has proposed a limitation of 30 minutes to a side on the Mundt amendment and a total of 1 hour on other amendments?

Mr. JOHNSON of Texas. It is the same on all amendments.

Mr. CARLSON. I shall not object to the unanimous consent request, but I think the Mundt amendment is a most important amendment so far as agriculture is concerned and so far as the conservation reserve program is concerned.

Mr. JOHNSON of Texas. I asked the Senator from South Dakota to suggest the amount of time he would like to have, and the consent request was formulated with his full knowledge and approval.

Mr. CARLSON. If the Senator from South Dakota is willing to accept it, I am, of course, willing to abide by his decision, but I think this is one of the most important amendments to the bill.

Mr. MUNDT. I agree with the Senator. I shall be glad to allocate some time to him, because I do not intend to take all the time that will be allotted to me.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas? If not, the unanimous-consent agreement is entered.

Mr. CARLSON. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield to the Senator from Kansas.

Mr. CARLSON. I did not wish to let this opportunity pass without paying tribute to the very distinguished and able Senator from Georgia. Agriculture is in good hands when he is in charge of bills pertaining to it. I share the views

expressed by the Senator from Mississippi [Mr. STENNIS] on the items having to do with agriculture research, experiment stations, and extension work. I know the chairman of the subcommittee has been as generous as he thinks he could be under the circumstances. I have listened to the debate this afternoon. I sincerely hope this is not the beginning of a program of reducing appropriations for these important agencies.

Mr. RUSSELL. I can assure the Senator that if there is any reduction in these appropriations, it will be over my vigorous protest.

Mr. CARLSON. That is the reason I said agriculture is in good hands.

Mr. RUSSELL. I appreciate the commendatory remarks of the Senator from Kansas.

Mr. CARLSON. I should like to ask one or two questions in order to obtain explanations. I have read the committee report. I notice about 3 pages are devoted to the soil and water conservation programs. Some of that I do not understand; and maybe that is expressing it mildly.

One question I should like to ask is, what has happened to the water facilities program under the bill, and what will happen to it.

Mr. RUSSELL. I will say to the distinguished Senator that the water facilities program is one of the few items in the bill which has received an increase over the appropriation for the current year. The appropriations for the watershed protection for the present fiscal year are \$17.5 million. This bill, as presented to the Senate, carries \$25.5 million.

There is a carryover of about \$4½ million in that item, but the item received the full amount of the budget estimate, including an increase of some \$8 million.

Mr. CARLSON. One of the things which concerned me, if I may say so, was the provision on page 6, which reads:

*Provided further*, That the unexpended balances of appropriations heretofore made for "Watershed protection," "Flood prevention," and "Water conservation and utilization projects" shall be merged with this appropriation.

Mr. RUSSELL. Permit me to say to the Senator that when this bill was considered in the other body they undertook to merge the appropriations for the agricultural conservation program, the old soil conservation program, the conservation reserve under the soil bank, the watershed program, the Soil Conservation Service, the small dam program, the Great Plains experiment station—a total of budget activities for which budget estimates of \$668½ million were submitted. In order to bring about a reduction in the bill, the House lumped them altogether and made a lump sum appropriation of \$535 million to meet budget estimates of \$668½ million.

The Department, be it said to its credit, did not wish to merge the appropriations, which would certainly diminish the ability of the Congress to keep in contact with the programs, by doing away with line item appropriations. We



restored the separation of these appropriations and made a specific appropriation for each activity.

In the bill the Senator will find language following the precedents of the past, which make line item appropriations instead of lump-sum appropriations.

I wish to be perfectly frank. We had great good luck. The funds which were estimated for the soil conservation reserve were not all used. I think that was primarily due to the fact that the acreage reserve was given greater priority, and more emphasis was placed upon it. There was about \$100 million which was not needed to meet the payments under the conservation reserve program, and by virtue of that fact we were able to allow the full amount of the budget estimates, including the soil conservation service, the pilot plant projects, the conservation districts, and other activities.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. CARLSON. I wish to state I sincerely hope that the views of the Senate committee, which I trust will be the views of the Senate, prevail in the conference. I think it is most important that we keep these appropriations separate and tied to their individual programs.

Mr. RUSSELL. There is no way the Congress can possibly control the programs, and determine which program should be expanded and which program should be diminished, unless we have line item appropriations, where they are separated. If we lump them all together we transfer any authority we might exercise to the Department of Agriculture.

Mr. CARLSON. Yes. I wish to say I appreciate very much the views of the chairman on this item. I know of no program which is more important to the great Midwest than the control of water at the source. It affects conservation and the growth of that section industrially and agriculturally, through holding back a volume of water which can be used for beneficial purposes. I sincerely hope that the funds will be sufficient to carry on that fine program.

Mr. RUSSELL. I believe the funds will be adequate. As I stated, there was a carryover. All the funds were not used, and we have a carryover for the present year, although the program is increasing and is popular.

The Senator did not refer to the amount of flood damage which was eliminated by carrying on this program where the water arises.

Mr. CARLSON. I appreciate the Senator's comment.

Mr. THYE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the distinguished Senator from Minnesota.

Mr. THYE. Mr. President, I wish to commend the distinguished Senator from Georgia, the chairman of the Agriculture Subcommittee of the Committee on Appropriations. As a member of the Senate Committee on Appropriations, I am quite familiar with the amount of detailed hearing work that was involved in developing the information which enabled

this bill to be brought to the Senate floor.

There are several phases of this appropriation bill which are most constructive. One of the programs for which the bill provides is the rural-development program. That promises a great deal of future benefit to the areas of the Nation where farm income is at a minimum.

I know in northern Minnesota, in the cut over area, this program is being developed, and it holds promise of increasing income and making it possible for the farmers to stay on the small farms in that part of the State. That is true also of northern Wisconsin and Michigan, as well as some of the Southern States.

Another desirable feature, of course, is the restoration of funds for the acreage-reserve program of the soil bank. It would have been a serious mistake if the Senate had not reinstated those funds, because we did not have a history of complete operation for a full year under the acreage-reserve program. If any program will reduce farm surpluses and also conserve the fertility of our land, it is the soil-bank program with its conservation and acreage-reserve aspects.

The able and distinguished chairman of the subcommittee, the Senator from Georgia [Mr. RUSSELL], did a very successful job in piloting that provision of the appropriation bill through the Appropriations Committee.

There was one other phase of the appropriation bill with which I was disappointed, and that was the restriction of \$7.50 per acre under the conservation phase of the soil bank. I think that is a mistake. I do not believe we have a sufficient history so that we can justly criticize the Department of Agriculture in its administrative handling of the conservation reserve phase of our soil-bank program. With this restriction being imposed, it appears as though we are criticizing the Department. It appears as though we are restricting its future operations.

I hope the amendment offered by the distinguished Senator from South Dakota [Mr. MUNDT] will prevail. That will remove the restriction.

Other than that restriction, Mr. President, I would say that this is a very good agricultural appropriation bill. It promises to continue the administrative functions of Public Law 480 in disposing of our surplus agricultural commodities and products.

Those two phases, the soil bank and Public Law 480, represent the only certainty that the farm economy is going to be improved in the future. Those two phases of this appropriation bill hold out hope for agriculture that they will bring the agricultural economy into balance with the rest of the Nation's economy, which is at an all-time high.

Again I commend the distinguished Senator from Georgia for his most constructive and able chairmanship of the subcommittee which handled the agricultural appropriation bill.

Mr. RUSSELL. I am very grateful to the distinguished Senator for his kind

comment, and for the very fine assistance he always renders as a member of the Appropriations Committee.

Mr. NEUBERGER. Mr. President, I wish to comment comparatively briefly on the bill.

First, I have been favorably impressed with the adroitness and knowledge with which the chairman of the subcommittee has handled the rather difficult and complicated questions that have been addressed to him.

I was particularly interested in the discussion earlier today, when the distinguished senior Senator from Indiana [Mr. CAPEHART] was raising the question of additional funds for the use of agricultural products for industrial purposes. This particular issue reminded me of a letter which had been sent back in February to the senior Senator from Oregon [Mr. MORSE], a copy of which was sent to me, by one of the most distinguished educators and agricultural economists in my State. I refer to Dr. A. L. Strand, president of Oregon State College.

In this letter Dr. Strand emphasized the fact that the increased use of agricultural products for industrial purposes can, in many instances, be a mirage, and that it can actually divert us from the need for increased research, by which the farmer's methods can be made more effective, and as a result of which agricultural products can be used for their primary purpose, which is to feed the people of our Nation and some of the rest of the world.

I should like to include in the RECORD, if I may, because this subject was discussed earlier today, the letter which came to the senior Senator from Oregon and myself in February 1957, from the very eminent educator and agricultural expert to whom I have referred, Dr. A. L. Strand, president of Oregon State College. This should be of real interest to my colleagues.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OREGON STATE COLLEGE,  
Corvallis, Oreg., February 12, 1957.  
Senator WAYNE MORSE,  
Washington, D. C.

DEAR SENATOR MORSE: I'm glad your name is not on CAPEHART's Senate bill 724 to establish "an Industrial Agricultural Products Administration."

The expenditures of the Federal Government are high enough, without running another \$100 million into a blind alley each year.

How many times does it have to be demonstrated that farmers are not going to profit from the industrial use of agricultural products? Alcohol from potatoes, corn, etc., is uneconomic. Alcohol can be made so cheaply from sugar wastes that this established method can drive any other method out of the market unless it has a subsidy. Does this administration intend to go into subsidies to promote the use of agricultural products? The scientific truth that stands in the way of any large success of this bill is that carbon-hydrogen-oxygen chains are available to industry through cheap and constantly available nonagricultural materials (coal, petroleum). Through my association with the Quaker Oats Co. for 25 years, I observed the development of furfural which is used in the dewaxing of automotive fuels, the manufacture of nylon, etc. At first it was made from



oat hulls. That worked for a while, as long as oat hulls were worth only \$2.50 per ton for fuel. When oat hulls came into demand for livestock feeds they were worth fifteen to twenty dollars per ton. The return through fufural was about \$8 or \$8.50. And so the company turned to cottonseed hulls and finally to corncobs, which are the basic material now. But the farmers never got a cent more for their oats or corn on account of fufural. That was not because of any unfairness on the part of the manufacturer; he just can't pay more. The gathering of corncobs requires some labor, and this throws some money into agricultural communities, but not much.

If this proposed new agency is established, exempt from civil service, it will rob the USDA and our institutions of scientific personnel who are producing now. Such a raid at this time would be very unfortunate for even a good cause, but to raid us to launch a dead duck.

This is a Wallingford promoters' bill to fool the farmers and make them believe something great is being done for them. Remember the starch promoters who took in the Grange in Washington and would have nicked Oregon, too, if our organization hadn't stopped it.

Sincerely,

A. L. STRAND,  
President.

Mr. NEUBERGER. Mr. President, I understand that the 1958 budget estimates for the Department of Agriculture included \$34,003,708 for the subappropriation "Payments to States, Hawaii, Alaska, and Puerto Rico," an increase of \$4,500,000 over the current appropriation of \$29,503,708. However, the House bill disallowed this increase, but \$1 million has been restored by the Senate Appropriations Committee.

The budget increase was recommended in order to first, meet rising costs of research under this appropriation; and second, initiate new projects and expand some already underway. The fields of research covered by the proposed increase are crop production, plant diseases and insects, animal production, animal diseases and parasites, water use and conservation, soils and fertilizers, agricultural economics, farm mechanization and structures, marketing and utilization, home economics, and forest crop production. The various States have a heavy backlog of urgent requests for research on State and local problems in these fields.

Present research on many major problems facing the American farmer are not adequate to meet his needs or to arrive at a solution at an early date. Because of differing climate, soil, market outlets, and other local conditions, each State has distinct problems of production and marketing of crops and livestock which can best be solved by the States, or cooperatively by two or more interested States. Such research is supplementary to the national and regional interests of the Department of Agriculture. To foster research between these two interdependent groups, Federal-grant funds have been appropriated for many years. Under this program the States provide about three times the amount of funds provided by Federal grants. While the majority of grant funds must be matched by States, most of them more than match the Federal portion.

If there is no increase in the appropriation, it will not only be impossible

to conduct the additional research which is needed, but rising costs of research will necessitate a reduction in research at State agriculture experiment stations from present levels.

The great importance of agriculture research has been emphasized in letters and telegrams I have received from Oregon in recent days and weeks. In a letter, F. L. Ballard, associate director of extension at Oregon State College, Corvallis, Oreg., explains that State and local interests are increasing their contributions to research.

Industry for example, is increasing its investment in research every year. A letter from F. E. Price, dean and director of Agriculture at Oregon State College, addressed to each member of the Oregon delegation, contains a table from the April 27 issue of Business Week. I ask unanimous consent, Mr. President, to have that letter included in the CONGRESSIONAL RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OREGON STATE COLLEGE,  
Corvallis, Oreg., May 13, 1957.  
OREGON DELEGATION,  
United States Senate, House of Representatives, Washington, D. C.

MRS. GREEN AND GENTLEMEN: When I read the following table as regards research spending by private industry, I thought of Oregon's delegation who are confronted with the question of supporting or not supporting additional Federal funds for agricultural research. The following figures, taken from the April 27 issue of Business Week, indicates that United States private industry plans to boost its spending on research by 50 percent in the next 4 years. You will also note that they have made a substantial increase in 1957 over 1956:

Research spending aims at \$9,000,000,000 a year by 1960  
[Millions of dollars]

|  | 1956    | 1957    | 1960 planned |
|--|---------|---------|--------------|
| Primary metals.....                          | 97.9    | 109.6   | 145.8        |
| Machinery.....                               | 506.2   | 577.1   | 704.1        |
| Electrical equipment.....                    | 1,148.9 | 1,309.7 | 1,637.1      |
| Aircraft and parts.....                      | 1,557.8 | 2,274.4 | 3,161.4      |
| Fabricated metal products and ordnance.....  | 165.2   | 173.5   | 209.9        |
| Professional and scientific instruments..... | 252.1   | 300.0   | 453.0        |
| Chemicals and allied products.....           | 497.8   | 527.7   | 617.4        |
| Paper and allied products.....               | 42.8    | 47.9    | 57.5         |
| Rubber products.....                         | 73.1    | 81.9    | 95.0         |
| Stone, clay, and glass.....                  | 58.5    | 66.1    | 80.6         |
| Petroleum products.....                      | 204.8   | 225.3   | 277.1        |
| Food and kindred products.....               | 76.0    | 85.1    | 96.2         |
| Textile mill products and apparel.....       | 33.8    | 36.5    | 42.3         |
| Other manufacturing.....                     | 1,071.2 | 1,156.9 | 1,272.6      |
| All manufacturing.....                       | 5,786.1 | 6,971.7 | 8,850.0      |
| Nonmanufacturing industries.....             | 310.4   | 347.1   | 418.8        |
| All industries.....                          | 6,096.5 | 7,318.8 | 9,268.8      |

Source: Base statistics (1953), National Science Foundation.

We have many problems relating to production efficiency and methods of reducing costs of production which can only be undertaken when additional funds are available, as we are working on as many of these as we can with present funds. In behalf of Oregon agriculture, I hope that you will see fit to support appropriations for additional agricultural research.

Very truly yours,

F. E. PRICE,  
Dean and Director of Agriculture.

Mr. NEUBERGER. Mr. President, the Oregon Potato Council in a recent wire

warned of new potato diseases of a serious nature and still unnamed which threaten the yield and quality.

In certain sections of Oregon the growing of bulbs is an important phase of our agriculture. A letter from Mr. Carl A. DuBosh, president of the bulb growers, stresses the need for research of they are to meet competition from the bulb industry of Holland.

Lyle W. Hammack, who is a prominent figure in the Oregon dairy industry, writes:

Most certainly the tax burden on business today is really becoming a problem. However, Dick, it seems to me unwise to cut appropriations that are designed for research that does ultimately produce new wealth in economy.

Phil Farrel, president of the Oregon Seed Growers League, emphasizes the same thought in saying:

This organization believes that in economy moves we should make a distinction between money that will increase our income, and money, that once spent, is gone forever.

His letter tells of a study of wild bees, important for the pollinization of seed crops, which may languish because the cut in the budget request will deny the \$1,500 matching funds they require. This is a small investment in an Oregon agriculture industry whose sales last year were in excess of \$20 million.

Roy Stevenson, president of the Oregon Weed Conference, has added his organization's support for greater investments for research. He writes that "weed control is the biggest production problem confronting the American farmer," and he explains that their effective work depends on the testing program carried on by the local experiment stations assisted by Federal Research funds.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks several illuminating telegrams which I have received from leaders in agriculture in my State.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

KLAMATH FALLS, OREG., June 7, 1957.  
Hon. RICHARD L. NEUBERGER,  
Senate Office Building,  
Washington, D. C.:

Request that you do everything possible to restore to the budget the recommended funds for support for agricultural research work at the land-grant colleges. This is necessary to forestall a curtailment of agricultural experimental work which is of great value to our agricultural development.

Respectfully yours,

KLAMATH COUNTY COURT.  
C. MACK, County Judge.  
E. W. GOWEN, Commissioner.  
JERRY RAJNUS, Commissioner.

KLAMATH FALLS, OREG., June 10, 1957.  
Senator RICHARD NEUBERGER,  
Senate Office Building,  
Washington, D. C.:

Urgently request restoration of \$4½ million in current budget for agricultural research vitally important to the future welfare of our farmers.

FRANK G. HOWARD,  
President, Klamath Basin Water  
Users Protective Association.



NYSSA, OREG., June 10, 1957.

Senator RICHARD NEUBERGER,  
Senate Office Building,  
Washington, D. C.:

We strongly urge restoration of \$4 million for agricultural research. Our agricultural economy is more dependent now than ever before on research.

PAUL HOUSE,

President, Oregon Reclamation Congress.

Mr. NEUBERGER. Mr. President, the research committee of the National Association of Wheat Growers in a report given by the committee chairman, Floyd Root, of Wasco, Oreg., on the occasion of their annual meeting in Lincoln, Nebr., this past February, included the following significant paragraph:

This committee recognized that major improvement in the status of agricultural research in general, and of wheat research in particular, has been largely due to the combined efforts of several commodity groups interested in effecting increased appropriations for such research. Therefore, this committee recommends that the NAWG continue and expand its efforts toward increased total appropriations for agricultural research with full recognition for the research needs of other segments of agriculture.

I have made these references to the thinking of Oregon agricultural leaders, Mr. President, to indicate that representative opinion in Oregon approves a more generous support of agriculture research. The wisdom of such an investment is confirmed in messages from those so closely identified with the industry.

Mr. President, I should like to ask several brief questions of the able chairman of the subcommittee.

I am sure the chairman realizes that some States do not benefit as much as do other States from the various price-support and soil-bank programs of the Department of Agriculture and of the Congress. I happen to help represent a State which, with the sole exception of the wheat crop in eastern Oregon, raises very few agricultural commodities which come under the price-support umbrella, or are included within the various phases of the soil-bank program. If I am not mistaken, as of December 31, 1956, farmers in our State have received only \$170,000 under the soil-bank program, which the chairman realizes is a very small sum.

Mr. RUSSELL. It is my understanding that the soil-bank program, particularly the conservation reserve phase of it, is open to States without regard to the type of agriculture within any State.

Mr. NEUBERGER. That is true.

Mr. RUSSELL. The degree of participation varies greatly, but some States receive practically nothing. In the State of Nevada I believe there was perhaps one contract.

Mr. NEUBERGER. It so happens that comparatively small farm acreages, with crops of a diversified nature, have at least not lent themselves to the various aspects of the soil-bank program.

Mr. RUSSELL. The Senator is correct; and they will not share in the most remunerative part of it, namely, the acreage reserve program, because that is limited to the basic commodities.

Mr. NEUBERGER. That is correct. I am sure the distinguished chairman of

the subcommittee, whose knowledge and experience in this field are far greater than mine, will agree that there are certain States which, because of the general structure of their agricultural economy—that is to say, comparatively small farm acreages with crops of a highly diversified nature—have not thus far adapted themselves to the price-support program or to the soil-bank program.

Mr. RUSSELL. That is certainly true; and, of course, the acreage reserve program has been peculiarly applicable to the corn areas. Up until now they have received the lion's share of the fund, and will do so this year.

Mr. NEUBERGER. Corn is king under the acreage reserve program.

Mr. RUSSELL. There is no question about it.

Mr. NEUBERGER. I know that the chairman of the subcommittee realizes that there is absolutely no criticism of him implicit in anything I have said.

Mr. RUSSELL. I must disclaim any responsibility for the basic legislation creating the soil-bank program.

Mr. NEUBERGER. I realize that.

Mr. RUSSELL. Members of the Congress generally labored for many weeks undertaking to get an agricultural program across that was wise. Despite all the inherent difficulties involved in trying to reconcile the basic crops as well as the areas to which the Senator from Oregon refers, we finally did get a bill; but the President dashed the work of art on which we had labored for so many months to the floor and crushed it with one stroke of the pen.

Then we were confronted with the problem of the soil bank or nothing. I took the soil bank rather than nothing. Otherwise I saw no advantages whatever in the program.

Mr. NEUBERGER. I am aware of the emergency circumstances which confronted the leaders in the Senate and in the House when the soil bank program came before them, after the President had vetoed the original farm bill.

The meat of the coconut is this: I am sure the chairman of the subcommittee realizes that in many States, which have been outside the major farm programs, one of the few direct ways in which agriculture can benefit is from research carried on at the college experiment stations and elsewhere. I know that the chairman of the subcommittee has been a supporter of these research activities, but he is likewise aware of the concern which has been felt throughout many farm States because of the cut in research appropriations.

Mr. RUSSELL. Let us keep the record straight. There has been no cut in research appropriations. The bill before us, as reported from the committee, would appropriate more money for State experiment research stations than has ever been appropriated in the history of the United States. We did not allow the full amount of the budget estimate. There has been an increase of 133 percent in appropriations for State experiment research stations during the past 5 years, or since 1952. I am not satisfied with the appropriation in the bill, but there is no reduction. We could not get the full amount of the budget estimate.

Mr. NEUBERGER. There are certain necessary programs which had been contemplated, and which, because of the size of the appropriation, however much it may be, still will have to be curtailed to some extent, in view of the plans which have been made previously. The full budget recommendation has not been granted. The telegrams which the senior Senator from Oregon and I have received have so indicated.

Mr. RUSSELL. Any plan which was based upon the full budget estimate might be somewhat curtailed.

Mr. NEUBERGER. The only assurance I seek from the chairman of the subcommittee—if it is compatible with his own ideas to give it—is that there is no thought now, and there will be no thought in the future, that these important research programs undertaken by the Department of Agriculture through the experiment stations and in other ways, are to be diminished or curtailed substantially in any way.

Mr. RUSSELL. Certainly the Senator from Georgia would stand on his feet in the Senate, and fight as long as he could stand, against any reduction in this program. There is oftentimes a difference as to the amount by which it is possible to increase them. This happens to be a year of austerity with reference to the national budget. Under ordinary circumstances there is not great difficulty in securing appropriations for the Extension Service and for the State experiment stations. We have been very successful, particularly in the Senate, with respect to that field of endeavor. We have been privileged to allow very large increase during recent years.

Certainly no cutback has been effected that I know of, or that is contemplated at all. I hope that come next year we may move forward with accelerated speed. However, this year is not the most advantageous year to ask to move forward in this field. That is my judgment.

Mr. NEUBERGER. I desire to thank the Senator for his assurances. I again wish to emphasize that I agreed with him completely when he expressed some reservations and doubts about the appropriation of vast sums of money for industrial uses of farm products.

I believe, however, that we should concentrate to a great degree in trying to increase the efficiency of our farms and the efficiency of our agricultural production, and to increase the use of those commodities for food purposes.

Mr. RUSSELL. If we cannot do something to bring about a reduction in the unit cost of production of all farm commodities, as well as obtain other uses for farm products, the American farmer is on the way of the dodo.

Mr. NEUBERGER. Certainly so far as the family-size farm is concerned.

Mr. RUSSELL. Yes; I have in mind the family-size farm. We will eventually have these great corporate farms that will be able to operate. After we have eliminated the family-size farms there will be the large farms, or corporate-size farms, which will be able to operate and expand with the increase in our population. However, the family-size farm has already diminished in



numbers in many areas of our country. If that trend continues, the family-size farmer will be eliminated.

Mr. NEUBERGER. If that happens, the family-size farm will be replaced by an impersonal enterprise, almost as impersonal as the Soviet type collective farm.

Mr. RUSSELL. I cannot think of anything which would be more calculated to impair the spiritual and physical strength of the country than the elimination of the farm boy on the individual size farm, with his home on the land. If we ever degenerate to a corporate agricultural system, and if that is all we will have, we will have eliminated something from this country that has contributed more than any other single factor to the upbuilding.

Mr. NEUBERGER. I could not concur more completely with the Senator from Georgia. In my own State already there is a saying in rural areas that there are only two ways of getting a farm. One way is to inherit a farm, and the other is to marry a farm. Most people familiar with the situation know that it is now virtually impossible in the State of Oregon, at least, for a young man to borrow money and incur a debt and to put a mortgage on the land, and have any success in being able to pay off the mortgage and eventually owning his farm outright. That is regarded as being virtually impossible today in the rural areas of my State.

Mrs. Neuberger's family happen to be dairy farmers. My mother-in-law has often told me that if the farm had not been in their family for many years, and if they did not own the farm outright, they could not possibly run it today, if they had to pay off a debt on the farm, in view of the price squeeze that they have been subjected to and the other difficulties that they must face today. Therefore they could not possibly, under such conditions, pay the interest or the principal on any debt on that farm, and still continue to retain their property. This is not a healthy situation. The family-sized farm has been the backbone of rural America. If that institution cannot successfully survive, our country will suffer. That is why I have emphasized the economic difficulties faced by Mrs. Neuberger's family on their farm in the Northwest.

Mr. RUSSELL. That situation may be more acute with respect to dairy farms, because that is a rather expensive method of farming. But I believe generally speaking it applies across the board.

Mr. NEUBERGER. That is becoming increasingly true, and it is very unfortunate. I again wish to thank the Senator for his patience and tolerance, in answering my inquiries.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SYMINGTON. I congratulate the distinguished Senator from Georgia on the most comprehensive and intelligent bill he has brought to the floor of the Senate.

Mr. RUSSELL. I thank the Senator.

Mr. SYMINGTON. The Senator from Missouri would ask 1 or 2 questions.

Does the able Senator believe the bill is primarily a bill in favor of the family-size farm; and therefore an effort to maintain that size farm as a part of the American way of life.

Mr. RUSSELL. The Senator from Missouri, as a distinguished member of the Committee on Agriculture and Forestry, knows that the bill contains appropriations to implement policies which are prescribed by law or by the Department of Agriculture. There are some phases of the bill which tend to preserve the family-size farm. I refer particularly to the Farmers' Home Administration and the Rural Electrification Administration, and some of the loan programs. However, by and large, the policies which are now being followed, generally speaking, are in my opinion completely destructive of the family-size farm. There is nothing we can do about it in an appropriation bill. It is a matter of policy.

Mr. SYMINGTON. Knowing the distinguished Senator's firm belief in the value of the family-size farm, may I ask if he believes that to the greatest extent possible this appropriation bill recognizes the importance of preserving the family-size farm?

Mr. RUSSELL. Insofar as the items that benefit the family-size farm are concerned, I have always given them priority, and I have done so this time in this bill, and the committee has done it consistently.

Mr. SYMINGTON. I thank the Senator. Inasmuch as there has been some criticism expressed in my State that the bill does not recognize the family-size farm, I am very glad to have the distinguished Senator say that to the best of his ability he has sought to give it recognition in the pending bill.

Mr. RUSSELL. Taking it as a general proposition, we know that a good law poorly administered is not so effective as a bad law well administered. This concerns a question of national policy. The basic policies must be changed if the family-size farm is to be able to survive in this world of concentration.

Mr. SYMINGTON. May I again express complete approval of what the distinguished Senator has stated, because during the years I have been in the Senate what has worried me as much as the farm policies of this administration has been the administration of those policies, in such matters as administration drought relief and administration of the county committees.

Whatever the future holds for the family-size farm—and we have now lost over a half million farm families, and over 2 million farmers, in the past 4 years. I know that the distinguished Senator from Georgia agrees that the future of these farmers depends almost as much on the administration of the policies as it does on the policies themselves.

Mr. RUSSELL. The loss to which the Senator has referred is one of the great tragedies of our era.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. COOPER. I should like to join other Senators in expressing apprecia-

tion for the work done by the senior Senator from Georgia in maintaining through this bill our agricultural programs.

Mr. RUSSELL. I thank the Senator, but I must say that I am not entitled to all this credit. I have a very able and outstanding committee, and I am merely the vehicle that undertakes to express their views.

Mr. COOPER. There has been a great deal said in the course of the debate about the small family-size farm.

I am very much interested in the rural development program—among other programs of the Department of Agriculture—because it is related to preserving the life of many small farms. I might say to the Senator that my State is in many respects similar to his State. I hope he will accept the fact of similarity of our agricultural programs.

Mr. RUSSELL. There is no question about the fact that both of us have, unfortunately, areas in our States where the income of our agriculture has been far below the average level.

Mr. COOPER. The Senator knows that in many of the counties of our States the farmers do not get much help from price-support programs, although they are protected by them, and not be protected by them. Also, many of them are not able to purchase or use the modern machinery that large farms use. Also, they are far from cities, and consequently there is not much opportunity for part-time employment by farmers.

There are three pilot projects in my State that have done outstanding work. They serve adjoining countries and in fact, our State. There is a great deal of enthusiasm about the possibilities of this program. I know the Senator has studied the program, and I should like to ask him some question about it. I should like to ask him whether he believes the total of appropriations will adequately support the future of the program.

Mr. RUSSELL. The Senator realizes, of course, that this is a rural development program, which could prove to be of little significance. It has not yet operated long enough for me to say that it is a solution for the low-income counties, but certainly it is worthy of trial. Some of the officials in the Department of Agriculture have been greatly interested in it and have promoted it as vigorously as they possibly could. The bill does not allow all that was asked for the rural development program, but it does carry almost the full amount.

Mr. COOPER. The report states that the amount has been increased by \$1,764,000, but it is not clear, whether for rural development or for the entire extension service.

Mr. RUSSELL. No; that is for the whole Extension Service. As I recall, the Department expected to allocate about \$1,300,000 to the Rural Development Program from a total budget estimate of about \$5 million. So the committee provided that the Department could spend up to \$500,000 of the \$1,764,000 increase which was allowed. As a matter of fact, the rural development program got half of the actual increase.



Seven hundred and sixty thousand dollars of that money was necessary to avoid a net loss in the State Extension Service, so we allowed half of the net increase granted to the Extension Service for the rural development program.

Mr. COOPER. In the report, on page 3, I find this language:

Not to exceed \$500,000 of the increase of \$1,764,000 may be expended for rural development work in States which heretofore have had no rural development program.

I understand the concern of the committee to extend the program to States which have not had the program started; but does the Senator from Georgia interpret the language to mean that this is mandatory?

Mr. RUSSELL. No; I do not. The language is:

Not to exceed \$500,000 of the increase of \$1,764,000 may be expended for rural development work in States which heretofore have had no rural development program.

In the way the provision was finally worded, I do not think it is a limitation at all, although, frankly, it was proposed as a limitation. Some members of the committee raised the issue that their States did not have any rural development counties designated. My State had two such counties designated. I did not wish to seem selfish and seem to try to get more money for my State when other States did not have any. So the provision was really intended as a limitation, but I do not think, upon reading it, that it accomplishes that purpose.

Mr. COOPER. I take it, then, that the Senator's judgment is that the language could be interpreted as being a flag to the Department of Agriculture to look around, to see if it is possible to initiate new projects, but not to cripple existing programs.

Mr. RUSSELL. I interpret the language to mean that before the Department actually reinforces the work in States which have rural development programs, they shall inaugurate it in States which do not have it but which wish to have it. I understand that some 20 States have the program now, and it is proposed to install it in 25.

Certainly there is no desire on my own part to start it in more counties in my State until other States, which have had no opportunity to share in the program, have had that opportunity.

Mr. COOPER. But the committee does not mean that the work which has been started in States shall be cut back?

Mr. RUSSELL. Oh, no. This is not a cutback. Whether or not it is a limitation, the language applies only to the increase.

Information has come to me since the report was prepared that the Department does not approve of this. They say they want about \$250,000 with which to go into States that have heretofore had no activity, but they want to spend some money in other States.

I can assure the Senator from Kentucky that in the conference with the other body it will be necessary, before this item shall ever be agreed to at all, to undertake to make certain that the matter is clarified so that the rural de-

velopment program may secure the maximum benefit from this appropriation.

Mr. COOPER. I thank the Senator from Georgia.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. I may say, first, that I appreciate the frankness and also the fairness of the Senator from Georgia. My State is one which as yet does not have any rural development program in operation, but programs for two counties, the counties of Suwannee and Calhoun, have been planned and will be set up in fiscal 1958 under the decision of the committee, as was so ably explained by the Senator from Georgia.

We have no desire to preclude other States which already have rural development programs from continuing with those programs; and if the new money provided is more than adequate to meet the needs to establish programs in States which do not yet have programs, we, of course, would expect it to be used for all States alike, wherever it was needed. But we certainly feel that States which have yet felt no benefit from the program should come first. I am certain the Senator from Kentucky will agree that that is the fair and proper way to approach the program.

Mr. RUSSELL. I may say, as a matter of legislative history, for whatever it may be worth, that it was the unanimous opinion of the Committee on Appropriations that in the allocation of the increased appropriation, when and if it be secured, priority should be given to those States which heretofore had not shared in the rural development program. That was the opinion of the committee, as I understood it. But it was not intended to the exclusion of improving the program in States which now have it.

However, if it comes to the issue of giving the money to States which do not have it or expending it in States which do have it, the committee intended that priority be given to States which did not have the program.

Mr. HOLLAND. I thank the Senator. I think that approach is fair. I am certain that every Senator will agree that States which are large agricultural States, and which have not had any beginning of the program, though it is needed in some of their counties, should at least have the chance to share in it before there is expansion in States which already have the program and have profited from it in their own limits.

Mr. COOPER. I appreciate the fairness of the statements of both the Senator from Florida and the Senator from Georgia. There is another problem involved. I can understand the feeling of the people of a State needing this program, and that it should be initiated. On the other hand, I think it is worth while to point out that there are a few agricultural States in the Union which have much higher levels of agricultural development and larger incomes than others. I call back to mind the purpose of the act. It is not to divide the money among the States, but to reach and assist needed areas, wherever they may be.

Mr. RUSSELL. That undoubtedly was the purpose of the program when it was instituted in the Department of Agriculture. I do not think it is contemplated to institute the program in some of the States.

Mr. HOLLAND. I certainly understand and agree with the philosophy of the Senator from Kentucky that the program was not to be used where it is not needed. A large part of Florida, the peninsula part of the State, is prosperous in its agricultural operations. Certainly we would not expect any program of this kind to be placed there. But that part of our State which is producing basic agricultural commodities, and frequently in very small amounts per farm, has felt the difficulties which are generally present now in areas which produce staple commodities.

Two of our counties have been chosen for these particular programs. We certainly would not expect any portion of our State which is in a prosperous condition agriculturally to be favored by having one of these programs located there.

I certainly think we are all at one on this. We want the program to be established where it is needed; we want it to work when it is established; and we want it to be established this coming year, in the first instance, in areas which have not had the benefit of it but which do have a crying need for it.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. REVERCOMB. I have listened with great interest to the discussion concerning rural development. I am drawn into the discussion by the fact that the State which I represent, in part, is very much interested in the program. Several of the pilot counties are located in West Virginia.

I do not draw from the discussion that because of the language any preference would be given to the States which have not already proceeded with the rural development programs. That would be based, as originally intended, upon the need of the locality and where the program could best be worked out.

I wish to ask the able Senator from Georgia to state the total proposed appropriation for rural development.

Mr. RUSSELL. Of course the Senator from West Virginia knows that this is an intensive program, not a nationwide program.

Mr. REVERCOMB. I understand.

Mr. RUSSELL. At the present time I believe it applies to only approximately 57 counties, of the more than 3,000 counties in the United States.

Mr. REVERCOMB. Yes; they are called pilot counties, as I recall.

Mr. RUSSELL. That is correct.

The appropriation for the current year is \$2,061,000. The appropriation proposed for next year is approximately \$2,900,000.

Mr. REVERCOMB. How do those appropriations compare with those in prior years?

Mr. RUSSELL. If the bill as reported by our committee to the Senate is enacted, there will be an increase of ap-



proximately \$850,000 in the appropriation for the rural development program.

Mr. REVERCOMB. I thank the Senator from Georgia.

Mr. RUSSELL. That is an approximate figure; I have estimated it.

Mr. LAUSCHE. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I am glad to yield to the Senator from Ohio.

Mr. LAUSCHE. I have listened with great interest to the distinguished Senator from Georgia, who has said that the present farm program of the Federal Government is destructive of the small farmers of the Nation.

Mr. RUSSELL. Mr. President, I said I thought the whole trend has been one which is destructive of the small farmers. There is no doubt in my mind that we are in an age of bigness. That is causing the increase in the tempo of business. Industrial plants are becoming larger. That trend is found in all fields of activity in the Nation, and undoubtedly there is a trend toward elimination of the small farmers. All the available statistics show that is the case.

Mr. LAUSCHE. I share the apprehension of the Senator from Georgia about the impact on our society of elimination of the small farmer. My concern is that the programs thus far evolved help the big man, not the little man.

Mr. RUSSELL. I share the Senator's view.

Mr. LAUSCHE. Am I correct in understanding that, despite the repeated statements which have been made, the present soil-bank program is not working in the way expected? I understand that the bill as reported to the Senate contemplates implementing the soil bank with the funds which will be needed.

Mr. RUSSELL. Yes; within limits. Of course, for this year there is no limitation on the amount which any one producer can receive from the soil bank. I think the largest payment made was approximately \$61,000, and there were a number about that size. But under the terms of the pending bill, as reported to the Senate, there is a limitation of \$5,000 on the amount which any one producer can receive. That limitation is proposed because we propose that the total amount be reduced. Therefore, we propose the limitation, in order to assure that all the smaller producers will be able to participate in the program.

Mr. LAUSCHE. Yes. Does the plan undertaken by the bill, as reported by the Senate committee, differ from the plan sponsored and approved by the House of Representatives, in the case of the soil bank?

Mr. RUSSELL. The House voted to eliminate the soil bank for the fiscal year 1958, and proposed that there be no soil-bank provision.

Mr. LAUSCHE. I suppose the House did so on the basis of the statement made by the sponsor of the soil bank, the Secretary of Agriculture, and on the basis of the general experience, namely, that the soil bank is not workable and is not producing the results contemplated.

Mr. RUSSELL. I wish to say that most of that must be an estimate. The only crop in connection with which the soil bank has received any real trial, and for which we could obtain figures for consideration, has been corn. Although a very large amount of money was spent on the soil-bank program in the commercial corn area, the largest crop of corn in history was produced. From that point of view, the soil-bank program failed. But the weather conditions, and so forth, were exceedingly good.

This year we shall have a real test as to whether the soil-bank program will reduce production—which was the purpose—and yet will enable the farmer to have an income similar to the one he would have had if his regular crop had been produced. In my own view, the soil-bank program cannot be truly effective, because if a man places in the soil bank some of the acreage he normally uses for production, the tendency will be for him to improve—by means of the use of more or better fertilizer and by other means—the production on the acreage remaining to him; and, as a result, his production per acre will be increased.

So, on balance, I doubt that the program will produce the desired reduction of production, unless there are 1 or 2 bad crop years.

Mr. LAUSCHE. Then am I correct in understanding that the House has voted to eliminate completely the soil-bank program, insofar as the fiscal year 1958 is concerned?

Mr. RUSSELL. That is correct.

Mr. LAUSCHE. On the other hand, I understand that the recommendation of the Senate Subcommittee on Agricultural Appropriations is that, within certain limits, the soil-bank program be continued.

Mr. RUSSELL. We voted to direct the Department not to engage in a program exceeding \$500 million for 1958. In other words, we would authorize a program of that magnitude. The House version of the bill includes language providing that there be no soil-bank program in 1958. The bill as reported by the Senate Committee on Agriculture provides that there may be a soil-bank program of not to exceed \$500 million. The basic authorization was \$750 million. So, the effect of the recommendation of the Senate committee is to cut \$259 million from the authorization.

Mr. LAUSCHE. Let me ask the Senator from Georgia to state his opinion regarding the reason why the soil-bank program should be continued, if it has not worked well, at least in the first year.

Mr. RUSSELL. As I stated a while ago, a year's experience has been had only with corn produced in the commercial corn area.

I am not wedded to the soil bank. I am supporting the authorization included in the bill as reported to the Senate, for the year 1958, because I hope it will be a means of taking care of some small, individual farmers during that year, until the Congress can enact another farm bill. The soil-bank program

has not worked out altogether well in my own State this year. I know that many farmers have left their farms, and I know that has frequently been because of the soil-bank program. In some of the small rural communities, the business interests are suffering. When a farmer puts into the soil bank some of the land he owns, the Government compensates him very fairly. But the result is to slow down the volume of business activity in the small rural communities. However, the soil-bank program is the only program we have in this field. I say in all frankness to the Senator from Ohio that I am far from enthusiastic about this program. I am supporting it only because it is the only program we have for the farmer for the year 1958.

Mr. LAUSCHE. Does the \$5,000 limitation on the payments reflect itself in the \$250 million reduction?

Mr. RUSSELL. No; not really to that extent. This year the program is for approximately \$614 million. So as much as could be reflected in that way would be approximately \$100 million.

Mr. LAUSCHE. Then, am I correct in understanding that the view of the Senator from Georgia regarding the soil-bank program is that it does not work well?

Mr. RUSSELL. I think it would be fairer to say that it is my judgment that it is not going to work well this year, because it has not been applied to wheat and cotton until this year, and no man can say for certain how it will work for them. It certainly did not work in the case of corn last year. In my opinion it will not be too effective in the case of wheat and cotton this year, although I may be mistaken. I have been mistaken many times in my life. I do not say it cannot work; I say it has not worked thus far.

Mr. LAUSCHE. But the House of Representatives has stated, in effect, that the soil-bank program has not worked, and the House has voted that the entire soil-bank program be eliminated; is that correct?

Mr. RUSSELL. The House of Representatives voted to eliminate the program completely. I hope the Senate will take a record vote on this item.

Mr. LAUSCHE. Is there to be a record vote on it?

Mr. RUSSELL. This is an item in the bill as reported to the Senate.

Mr. LAUSCHE. I thank the Senator from Georgia very much indeed.

Mr. MUNDT. Mr. President, I call up my amendment identified as amendment B.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 28, beginning with the colon in line 17, it is proposed to strike out all down through line 20, and insert in lieu thereof a period.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The Chair would like to remind the Senator at this point that the unanimous consent which the Senate has agreed to is now in effect.



Mr. DIRKSEN. Mr. President, will the Senator yield for the purpose of my suggesting the absence of a quorum?

Mr. JOHNSON of Texas. With the understanding that the time for it be taken from both sides.

The PRESIDING OFFICER. Is there objection?

Mr. MUNDT. With the understanding that it not be charged to either side.

Mr. JOHNSON of Texas. It will not be charged against the Senator's amendment; it will be charged against the bill. We have additional time on the bill.

The PRESIDING OFFICER. With that understanding, the Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. How much time was consumed on the quorum call?

The PRESIDING OFFICER. Six minutes.

The Senator from South Dakota has the floor.

Mr. MUNDT. Mr. President, we are operating under a unanimous consent agreement which allows 30 minutes to a side, so I ask the Chair to advise me when I have consumed 10 minutes.

My amendment, Senators, simply strikes from the bill an amendment suggested by the committee which is new, novel, and untried insofar as the conservation reserve feature of the legislation is concerned.

At the present time the bill operates against two fixed factors, the amount of money which is available, which in this bill is \$350 million, and the further fixed limitation that no individual, no corporation, or no farmer shall get over \$5,000 in payments from the conservation reserve phase of the soil bank.

The committee amendment, which was adopted by our committee by a vote of 8 to 11, provides a new limitation of \$7.50 per acre as a national average. I opposed that limitation amendment in the committee. The amendment I now have before the Senate will repeal that unfortunate action taken by the committee.

I should like to point out, first of all, that there is not a single Senator in the Chamber who knows exactly how that committee provision is going to affect the farmers of his State, because not a single word of testimony has been taken in hearings on the subject. Nobody testified for it. Nobody testified against it. The Department of Agriculture representatives were not consulted. This is a step in a direction which, in my opinion, will make this program largely inoperative in 37 States of the Union—States like Michigan, Ohio, Illinois, Washington, Oregon, Missouri, Indiana, and New York, where the land values and the productivity are relatively high, because it eliminates consideration of the proxim-

ity of the land to an urban area, or the productivity of the ground, or the type of product raised on the soil, and arbitrarily establishes a \$7.50 national average.

That is the first reason why I think the Senate of the United States should decline and refuse to gamble with the prosperity of the farmers of the States of the Union by enacting legislation of this kind, on which not a single word of testimony has been recorded and which could virtually blackout entirely farmers of certain States and producers of certain products.

In the second place, I point out that the provision creates a completely unworkable, impossible administrative monstrosity, because when three constant factors are added together—the \$350 million which is available, the \$5,000 limitation, and then the newly proposed \$7.50 per acre national limitation—I ask Senators to put themselves in the place of the person administering it. It would confound a Solomon and perplex a Plato.

The Administrator could not possibly sign up the farmers who come in from the South, the North, or the West—the farmers who would say, "How much will I get for my conservation reserve?" He would have to say to them, "We cannot tell you, until every last farmer in America, from every State and county, has applied, because we have to meet a legislative mandate and strike a \$7.50 average."

Consequently it would be impossible for the farmer to come into the county office, negotiate with the county committee, and receive for the land the conservation reserve payments per acre to which he would be entitled on the basis of the productive record and economic factors involved. He would have to wait until all farmers from every area had made application since only then could the national average be determined.

The third reason we should reject this proposal, Mr. President, is that not a single nickel of economy is involved in it. We are all agreed that \$350 million should be spent for the conservation reserve program, not mentioning how we are going to divide up the \$350 million. Our committee was unanimous about that. Who is going to get it? That is the question. Is it going to be made available only to farmers in those States which have the cheap land, the arid land, the eroded land, where the farmers can come within the \$7.50 limitation, or will it be made available to farmers all over the country? The Senator from Idaho, for example, comes from a State where there is irrigated land. Not a single acre of irrigated land could come in under this program, at \$7.50 an acre as a national average.

May I point out that at the present time only one State in the Union operates with a \$7 average. That is the State of Nevada. How many people were there who signed up at the \$7 average in Nevada? One. One farmer signed up for a conservation reserve at a \$7 average.

When we extend that to \$7.50 and make it a national average we will reduce the efficiency of the program and the scope of the program, and limit it to farmers in areas where the land lacks productivity.

Mr. CURTIS. Mr. President, will the Senator yield to me?

Mr. MUNDT. I am happy to yield, briefly.

Mr. CURTIS. I thank the distinguished Senator.

The soil bank does call for considerable money. I think it is a question of how long it could be carried on financially. But so long as it is to be operated, its purpose is to reduce or lower production.

Mr. MUNDT. The Senator is correct.

Mr. CURTIS. We cannot do that by taking out of production the poor and unproductive land. If we are going materially to affect production, we will have to take out the high producing acres. We cannot do that for a minimum payment.

Mr. MUNDT. The Senator is exactly correct. It would reduce the dividends the country as a whole would receive materially from the soil bank by limiting the application of this program to the unproductive land, as the Senator from Nebraska has pointed out.

Let me point out something else to the Senate. This \$7.50 provision creates a great inequality, because it means that the people who signed up for contracts in 1956 or 1957 will continue to be paid at whatever average they happened to sign up for with the local committees. However, those people signing up in 1958 and the years ahead will have to arbitrarily comply with the \$7.50 national average. We will have all kinds of controversies and all kinds of confusion, with farmers within a single county being paid different amounts for the very same practices and the same type of soil. Part of them will be paid, by accident—of calendar date—having signed up earlier—the kind of payment to which they are entitled, and the other part will receive, by action of the committee, payments scaled down to meet the \$7.50 national average. Where is there either logic or justice in such a program?

I will further point out that at the present time the Department of Agriculture has set up as a guidepost for itself a proposed national average of \$10.11 per acre, but it is not bound by the action of Congress. That is not a legislative mandate. If the Department should find on the average that it has paid \$12 or \$13, or \$8.44, as was actually the case this year, they can continue to increase the amounts that are offered to the people in the counties, until they can attract the land necessary for the conservation reserve, just so long as they come within the broad mandates of Congress, pay no more than \$5,000 to any farmer, and expend no more than \$350 million from the standpoint of the total amount.

I should like to invite the attention of Senators to page 7663 of the Record of yesterday, the Record for June 10, 1957. There Senators will observe a chart, which shows how this would affect each State and each area. There it is pointed out how the law operates at the present time. It is pointed out that the average annual payment per acre on signed contracts in almost every case—all but one, incidentally—is lower than the approved annual payment rate per acre. They



are lower, because in every State there are some nondiverted acres, which are included in the contracts farmers make. The nondiverted acres are acres not planted in cropland. These are paid only 30 percent of the regular rental rate. If the \$7.50 is cut down to 30 percent, it is a very small amount.

The PRESIDING OFFICER. The time the Senator from South Dakota has yielded to himself has expired.

Mr. MUNDT. I yield myself 3 additional minutes.

It is said, and rightly said, that if we adopt the \$7.50 national average, that would not mean we could not put the rate up in some county and reduce it elsewhere, correspondingly. That is true, but certainly every time we offer one farmer \$10 per acre to retire his land in the conservation reserve, some other farmer has to be offered, and has to accept, \$5 per acre. If we offer a farmer more than \$10 per acre, then some other farmer must be cut down below \$5.

It has been demonstrated from the RECORD that in Nevada, which is probably not the plushiest and most productive agricultural State in the Union, where they tried to operate with a \$7 average per acre, one lone Nevada farmer walked up to a county some place and signed up in the conservation reserve—one, and one only.

I say we are entitled to give this program a fair trial. We are entitled to give the administrator a chance to operate and make the program available, so that it can reduce the number of acres, provide fertility, and bank it ahead for the years to come.

Mr. President, I ask unanimous consent, at this point in my remarks, to have printed in the RECORD a carbon copy of a letter dated June 11, 1957, sent by Mr. Earl L. Butz, acting secretary, to chairman of the subcommittee, the distinguished Senator from Georgia, the Honorable RICHARD RUSSELL, which explains some of the reasoning stated by the Department of Agriculture. I read one sentence:

We are greatly disturbed lest the \$7.50 national average rate be so low as to nullify the entire program.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 11, 1957.

Hon. RICHARD RUSSELL,  
United States Senate.

DEAR SENATOR RUSSELL: There are two features of the USDA appropriation bill as reported from your committee which disturb the Department seriously. This letter is written so that you may be advised of these danger points before final action is taken in the Senate. Your assistance in bringing about the changes noted is respectfully requested.

1. We appreciate very much your committee's action in raising the conservation acreage limit to \$350 million. We feel that this action indicates an awareness of the need for more realistic limits, but we are greatly disturbed lest the \$7.50 national average rate be so low as to nullify the entire program.

It is entirely unrealistic to have an authorization of \$350 million and a \$7.50 national rate. This would appear to contemplate the establishment of a 1957-58 goal of between twenty and thirty million acres

(\$7.50 rental rate plus the cover practices, divided into the \$350 million) in contrast to the actual achievement of less than 7 million in 1956-57 with the \$10.11 rate.

If we could acquire no more than 6¼ million acres toward a goal of 20 million at \$10.11, it seems hardly reasonable to expect any appreciable amount with the sharply reduced figure of \$7.50.

We strongly feel that this national average figure should be increased.

2. The 1957 acreage reserve program of the soil bank was based upon the authority contained in the original act of \$750 million, but it resulted in a commitment of only \$600 million. The administrative difficulty of operating a voluntary program such as the acreage reserve does not permit the utilization of the maximum funds available. It is therefore obvious that limiting the expenditures to \$500 million would allow the actual utilization of a total figure considerably lower than that.

The administration has always taken the position that the acreage reserve program is a temporary measure, designed to bring about a sharp reduction of acreage over a short period of time. If the goal is to spend \$500 million in this endeavor, then obviously in a voluntary program, the authorized ceiling must be set at a considerably higher figure. If, however, the goal is to bring about the greatest possible acreage reduction under the provision of the law, then there should be no ceiling at all, and every farmer should be given a full opportunity to share in the program if he chooses. You have seen the disappointment in the faces of farmers in your State who were turned away—and you were quick to endorse our efforts to see that all were given an opportunity to participate.

We feel that these two changes are so vital to the goals of both your committee and the Department that we respectfully solicit your support in the Senate as these measures are considered.

Sincerely yours,

EARL L. BUTZ,  
Acting Secretary.

Mr. MUNDT. I do not believe that the Senate capriciously, without a word of testimony, wishes to scrap and scuttle the soil bank, or to jeopardize it to the point of nullifying the entire program.

I also ask unanimous consent, Mr. President, to have printed in the RECORD some comments on charges that the soil-bank program attracts nonfarm people to purchase farmland and place it in conservation reserve which I have had prepared because a study has been made of that, and there is no evidence that that has become in any sense a national nuisance or weakness in the program.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

COMMENTS ON CHARGES THAT SOIL-BANK PROGRAM ATTRACTS NONFARM PEOPLE TO PURCHASE FARMLAND AND PLACE IT IN CONSERVATION RESERVE

Several news and feature stories recently have charged that land has been purchased by nonfarm interests, placed in the conservation reserve, and that the annual payments during the life of the conservation reserve contract pay a large portion of the purchase price. The following facts relate to these charges.

In our free society nonfarm people are not only free to purchase land from farmers with or without a soil-bank program, but this has been done increasingly since World War I. There is little evidence to show that such purchases in 1957 ultimately are followed by conservation reserve contracts to any greater extent than land purchased and

operated by active farmers. In fact, there is some evidence to the contrary.

The Department was authorized to commit up to \$450 million for the 1956 conservation reserve program and the same amount for the 1957 program. Of the \$900 million authorized by Congress only \$124,186,000 were obligated through the April 15, 1957, closing date for signing 1957 conservation reserve contracts. If rates offered by the Department were as attractive to nonfarm people as has sometimes been charged it would seem that the programs would have resulted in the obligation of a greater percentage of the amount authorized by Congress.

Participation in the conservation reserve has been lowest near large population centers of nonfarm people and highest in strictly rural regions. For example, no conservation reserve contracts were signed in Westchester, Rockland, or Nassau Counties in New York; in Fairfield County, Conn.; or in Bergen, Passaic, Hudson, or Essex Counties, N. J., which surround New York City. Similarly, no contracts were signed in Middlesex and Norfolk Counties adjoining Boston, Mass.; only 1 contract was signed in the county in which Pittsburgh is located; 3 contracts were signed in the county of which Cleveland, Ohio, is the county seat; none were signed in the counties in which Cincinnati, St. Louis, and San Francisco are located; only 11 contracts were signed in the county of which Detroit is the county seat; Dallas County, Tex., has only 1 contract; and Los Angeles County, Calif., has only 9 contracts. In contrast to these statistics, several counties in rural up-State New York have from 100 to 162 contracts; several agricultural counties in Ohio have nearly 100 contracts; while the farming areas of Texas frequently have from 100 to over 300 contracts per county.

The attached table shows the relative unpopularity of the conservation reserve program close to urban centers:

Conservation reserve program: Contracts signed through Apr. 15, 1957, in specified metropolitan areas

| City                         | County in which located |                               | Contracts in all adjoining counties |
|------------------------------|-------------------------|-------------------------------|-------------------------------------|
|                              | Name                    | Number contracts <sup>1</sup> |                                     |
| Boston                       | Suffolk                 | None                          | None                                |
| New York City                | Various                 | None                          | None                                |
| Philadelphia                 | Philadelphia            | None                          | 29                                  |
| Pittsburgh                   | Allegheny               | 1                             | 100                                 |
| Cleveland                    | Cuyahoga                | 3                             | 103                                 |
| Cincinnati                   | Hamilton                | None                          | 67                                  |
| Detroit                      | Wayne                   | 11                            | 147                                 |
| Indianapolis                 | Marion                  | 3                             | 25                                  |
| Chicago                      | Cook                    | 5                             | 51                                  |
| St. Louis                    | St. Louis               | None                          | 4                                   |
| New Orleans                  | Orleans                 | None                          | None                                |
| Houston                      | Harris                  | 11                            | 17                                  |
| San Francisco                | San Francisco           | None                          | 4                                   |
| Los Angeles                  | Los Angeles             | 9                             | 9                                   |
| Total, 14 metropolitan areas |                         | 43                            | 556                                 |

<sup>1</sup> The average number of contracts for all counties in the United States, both rural and urban, is 28.  
Prepared by: CSS, Soil Bank Division, June 8, 1957.

Mr. MUNDT. I yield back any remaining time.

Mr. THYE. Mr. President, will the Senator yield for 2 minutes?

Mr. MUNDT. I yield 2 minutes to the distinguished Senator from Minnesota.

Mr. THYE. Mr. President, the distinguished Senator from South Dakota [Mr. MUNDT] has stated the question so clearly and so well that there is nothing which can be added. I wish to say that I fully concur with his remarks.



I am a member of the Appropriations Committee. I endeavored to prevent the \$7.50 ceiling being placed upon the conservation reserve program of the soil bank. I believe it will have the effect of defeating the program.

We have endeavored to encourage participation under the conservation reserve aspect of the soil bank, because it is soil building, and it will take out of production many acres of land.

These are long-term contracts. This is a 3-year or more program. Therefore, this will be a soil building program over the years, and will preserve the fertility of the land. I think the limitation would be a very serious mistake, and that it would have the effect of destroying one aspect of the soil bank program which Congress enacted only a year ago.

We have no actual history of the administrative functioning, to determine whether it is advisable to continue this program in the future. I most strongly urge my colleagues to defeat this provision in the conservation reserve aspect of the soil bank by the adoption of the amendment offered by the Senator from South Dakota [Mr. MUNDT].

If there is any additional time, I yield the time back.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. THYE. I yield, if I have any time left.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MUNDT. I yield an additional minute to the Senator from Minnesota to answer the question of the Senator from Kentucky.

Mr. COOPER. I have before me a statement which indicates that last year about 7 million acres went into the conservation reserve program, at an average payment, as the Senator from South Dakota has said, of \$8.84 an acre. Does the Senator believe that reducing the average annual payment to \$7.50 would bring about the results which the soil bank program is designed to accomplish? Would it bring into the soil bank program sufficient acreage to cover the \$350 million?

Mr. THYE. It would not. We had hoped, when we enacted the soil bank law, that 20 million acres would come under the conservation provision of the soil bank. We did not succeed in obtaining that large an acreage in contracts last year, and we have not succeeded so far this year. For that reason, if we reduce the amount per acre, we can be certain that a lesser number of acres will come in under contract, and that there will be fewer participants in the program.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CARLSON. Mr. President, will the Senator from South Dakota yield me some time?

Mr. MUNDT. I believe that the time available to me is almost exhausted. I suggest that the proponents of the committee amendment have time.

Mr. RUSSELL. Mr. President, I have had no requests for time. I intend to take about 10 or 12 minutes on this amendment, as the proponent of the

committee amendment. I think I am entitled to do so at the conclusion of the debate. I have received no requests for time from any other Senator. I doubt very much if I shall require more than half the time available to me.

Mr. MUNDT. I yield 2 minutes to the Senator from Kansas.

Mr. CARLSON. Mr. President, I rise in support of the amendment offered by the Senator from South Dakota. I firmly believe that if the committee provision is retained in the bill and becomes law, we may just as well save \$350 million of the Federal taxpayers' money. I cannot conceive how the program would ever function under the committee proposal.

The only way to appraise a farm program is to try to understand how it actually works on the farm. In Kansas last year we were paying \$10 an acre for soil conservation acreage reserve land. In 1958, if the committee provision prevails, we shall be paying \$7.50 an acre.

It is reasonable to assume that about 1 million acres of marginal land were taken out of production. Most marginal land was taken out at \$10 an acre. How could we expect a farmer in our State who lives on land adjoining land which was taken out of production last year for \$10 an acre, to take his land out at \$7.50? I contend that the restriction would completely destroy the program.

I believe that this program offers a great opportunity. I think it is the best part of the soil-bank program. I agree with the chairman of the subcommittee with regard to the soil-bank program as a whole. I do not have very much faith in the acreage reserve program, but I have great faith in the conservation reserve feature of the program.

If we had paid \$6.50, or if we had had a \$7.50 limitation last year, and then increased it to \$10 for this year, we would have rendered a real service to soil conservation, and the program would have worked.

I would sincerely regret to see the limitation in the committee amendment approved. I hope the amendment of the Senator from South Dakota will prevail. There are millions of acres of marginal land which should be put back into grass. We have an opportunity to have it put back into grass, if we adopt the amendment of the Senator from South Dakota. If we adopt the committee amendment, I think it will be the end of the soil-conservation reserve program.

Mr. HUMPHREY. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. Mr. President, may I inquire how much time I have?

The PRESIDING OFFICER. The Senator from South Dakota has 13 minutes remaining. The opponents of the amendment have 30 minutes.

Mr. RUSSELL. I shall be glad to yield to the distinguished Senator 3 minutes, even if he wishes to employ it for purposes of subversion.

Mr. MUNDT. I appreciate that.

Mr. HUMPHREY. The Senator is very generous.

Mr. MUNDT. I yield 2 minutes from the time of the proponents of my amendment.

Mr. HUMPHREY. I am very grateful to the Senator from Georgia.

Mr. RUSSELL. The Senator is about to attack the position of the committee. If he does not wish to use the 3 minutes—

Mr. HUMPHREY. I am most grateful.

The PRESIDING OFFICER. It is the understanding of the Chair that 3 minutes have been allocated from the time of the opponents of the Mundt amendment, and 2 minutes from the time of the proponents, or a total of 5 minutes.

Mr. HUMPHREY. Mr. President, in the 2 minutes allowed me by the proponents of the pending amendment, I wish to make 1 or 2 observations.

It is understandable that in a program as new as the conservation reserve program there may be some abuses. It is also understandable that it requires a certain period of time to arrive at fair rental prices, in terms of not only the fair rental rate, but a rate which will act as an incentive to gaining compliance or participation in the program.

There was established, as a national goal for the conservation reserve program, some 20 million acres to be removed from production. The going rate was about \$10.11 an acre. That rate of \$10.11 an acre as a national average produced less than 7 million acres of farmer participation.

I happen to believe that the conservation reserve program merits continued national support.

The acreage reserve program is of an emergency, temporary nature, designed to remove a great many acres from production under the price support program, in order to reduce immediately the surpluses which had accumulated under the farm program.

The conservation reserve program is designed to conserve land, to take out of production marginal land, to reforest land, and to put some land that was in production back into grass. It was designed as a real soil bank for the years to come.

It has had a very weak start at \$10.11 an acre for a national average; and I submit that to reduce the price to \$7.50 would only weaken the program further. As a matter of fact, there is evidence that it would be wise to have a higher figure than even the present national average of \$10.11 an acre, in order to encourage participation by the farmers who own the land.

One complaint which has been made is that a great deal of land has been taken out of production by nonfarmer owners. I suppose there are some nonfarmer owners who have bought up land and have put the land under contract with the conservation reserve. I have no doubt that there is plenty of that, to start with. But the Department was authorized to commit about \$450 million a year for 2 years, 1956 and 1957. Of that amount of \$900 million, which has been authorized by Congress, only \$124,186,000 has been obligated, through April 15, 1957.



If the business people, the insurance interests, and the nonfarm people had been abusing this program, there would have been considerably more obligated than \$124,186,000. If the rates being offered by the Department of Agriculture today were excessive, we can rest assured that the nonfarming investors would have been utilizing this program to a much greater extent than they have done to date.

I hope the amendment of the Senator from South Dakota will be adopted. I believe there is little or no dispute about the fact that we should change the present situation, and there is much that would indicate that we should continue to develop some history under this program, so as to provide for its effectiveness.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MUNDT. We are ready to vote if there is no further debate. Does the Senator from Minnesota yield back the remainder of his time?

The PRESIDING OFFICER. The Senator from Minnesota has no time to yield back. His time has expired.

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement on the pending subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR COOPER

I was gratified to see that the Senate Committee on Appropriations has recommended restoring funds for operation of the acreage reserve program of the soil bank in 1958, to a total of \$350 million. An impartial appraisal of the value of this program must necessarily await the results of the 1957 operations. The results in terms of reducing surplus production may not then appear to justify the cost. But this program was also designed by the Congress to protect and increase farm income, and should not be abandoned until we have something better to take its place.

"Don't be an in-and-outer" is time-tested advice for any farmer considering his individual operations—and is sound counsel for those charged with responsibility for our national farm programs as well. It may be that the continuing examination of this and our other farm programs, both by the Congress and by the Department of Agriculture, will point to helpful modifications which can be made to improve and build on this program in the year of grace provided by this authorization.

#### SOIL BANK—CONSERVATION RESERVE

On the other hand, I oppose the committee's recommendations regarding the conservation reserve. Appropriating an additional \$100 million for this work will be an idle gesture if limitations are imposed so that only a fraction of the \$350 million now in the Senate bill can be used. A national average rental payment of \$7.50 per acre is just such a restriction which will tend to defeat the program.

Last year, the average payment in Kentucky was \$8.57 per acre and in the Nation \$8.84. It is hard to believe that an average of \$7.50 per acre will attract more farmers. Even in Kentucky, \$7.50 per acre will attract only the least-productive land—and very little of that. It would do little or nothing to decrease crop production, which is one purpose of the program.

The conservation reserve, it seems to me, is the part of the soil bank of greatest long-range value. It is the part which can con-

tribute positively to our deposit of national wealth as it builds value back into the soil and onto the land. It has been subject to comparatively little controversy, and has met with general satisfaction, as farm programs go. Although off to a more modest beginning than the acreage reserve, it appears to lend itself to improvement as experience is gained with the possibilities it offers. We should make that improvement possible instead of hamstringing this program.

The conservation reserve best lives up to the soil bank name. It pays dividends to the farmer, and to the Nation, in the form of increased soil fertility, enhanced land values, improved conservation practices. In this way, it builds for the future in addition to helping adjust past and present problems of surplus production.

I urge the Senate to consider carefully what the effect of this proposed per-acre limitation on conservation reserve payments will be—in terms of the possibly disastrous effect on the conservation reserve, and in terms of yet another off-again, on-again farm program.

If the Department of Agriculture is to carry out the responsibilities with which it is charged for operating an effective conservation reserve, it surely should be given the necessary discretion in setting these rates. For myself, I believe an average rate at least as high as last year's national average of \$10 an acre is needed to obtain greatest benefit from, and wider participation in, this worthwhile program, but at least it should not be cut to \$7.50. The limitation of a total payment of \$5,000 to one individual protects against abuse.

I would like to mention here that several ways in which an effective conservation reserve may contribute substantially toward solving what have been persistent and difficult farm problems—provided it is not crippled by unrealistic or arbitrary limitations. First, it directly attacks the troublesome problem of diverted acres—which has been a source of very great difficulty in connection with our wheat, cotton, and rice programs.

Second, it makes a positive contribution for the future, in improved individual farm-lands and in our basic national resource, as I have mentioned. For farmers themselves, and for the Nation, it provides a "nest egg" which may prove of great value in future years. In this, it is in the best traditions of our long-established soil- and water-conservation programs.

Third, when entire farms are put into the soil bank in this way, there is no longer a problem of increased yield on these reduced acres. As my colleagues well know, this continuing problem is in large measure responsible for the difficulty in which we find our farm programs today—both in our price-support programs and in the acreage reserve. Quantitative controls may provide an answer to smaller and smaller allotments for some commodities, but meanwhile we should not ignore the new advance made on this front so far—in the conservation reserve.

Fourth, it provides a continuing, stable program, with contracts of 3, 5, and 10 years' duration. As a longer-range program, and compared to the attention received by the acreage reserve, the conservation reserve is developing more slowly, and, I believe, more soundly. It can continue to develop in usefulness if rental payments can be set at the levels necessary to make the program work.

Finally, the conservation reserve promises (through the farm-pond practices) to help stabilize our water tables, to keep runoff at the headwaters of our watersheds, to conserve moisture on the hills and steeper slopes being planted to trees and reseeded to grass. It is a most important element in our reforestation program. I believe the

conservation reserve will be effective in helping attain these desirable and long-established goals. In future years we may well look back on the conservation-reserve program of the soil bank as a central, valuable part of our various farm programs—reaching out in many directions to assist in solving our manifold farm problems.

I therefore urge the Senate to sustain the full amount recommended by the committee, but to eliminate the \$7.50 limitation which would nullify the effectiveness of this program.

Mr. RUSSELL. Mr. President, as a friend of and a firm believer in the conservation reserve program, I rise to support the committee amendment. The amendment was not in its present form when it was originally adopted by the subcommittee, and a great deal of the argument and material offered here today in opposition to the amendment is not applicable, because it applies to the original amendment, which limited the payments within the States to an average of \$7. The amendment as now written limits the average over the Nation to \$7.50.

I will not bore the Senate, or those Members of the Senate who are present, with reading the formula which was devised by the Department of Agriculture for the application of the program. I have undertaken to look into this program and I can assure the Senate that the committee amendment will permit payments per acre at as great a rate as those which have been made within any State, although it will compel a national reduction, on the average, of about \$1.24 an acre for the rental payments.

In my opinion, such a reduction is not only justifiable, but is desirable. We are dealing now with a program that can last for 10 years. When \$1 is committed for rental payment, it means that on the 10-year contract the dollar must be paid 10 times.

Therefore, when we talk about this \$350 million program, we must bear in mind the fact that we are dealing in terms of billions of dollars and not millions of dollars, because it would run to \$3½ billion.

I believe in this program, but, in my opinion, if Congress does not adopt an amendment which will bring about a reduction in some of the payments which are being made, and put a stop to some of the things which are being done under this program, we will have ample cause to regret it.

Senators will have cause to regret it because they will be criticized for committing the Treasury of the United States to payments of this nature over such a long period of time, when they are not justified. Senators who are really interested in farm legislation will face a reaction in the form of a revulsion of public sentiment, which will come about when all the things that are being done under this program are revealed.

I realize that the purpose is to take land out of production. However, how are Senators going to justify paying \$1,062 for building a fishpond and then paying the farmer \$11 an acre for 10 years for the land that is covered by the water in the fishpond?



That is an extreme case, but it is a case that has happened already under this program.

When the columnists start to write about it, they will not write about the hundred meritorious cases, but they will write about something like that. The result will be to condemn the new farm legislation, and to raise an issue against every Senator who does not show some interest in at least trying to bring about some modification of this program.

The committee amendment does not affect the practice payments, some of the which range as high as \$88.74 an acre. For the planting of trees, a farmer gets \$88.74 an acre as a practice payment. He will get an average rental payment for 10 years, and he will wind up getting more than \$200 from the Government for improving 1 acre of his own land, and that he still retains the land.

Senators may be able to justify such a condition if they wish to do so. I think we ought to put up a little sign reading, "Bring this down." The \$1.24-an-acre reduction on the rental payments will not hurt the program. It will help the program.

I know the Department of Agriculture is opposing the committee amendment. There has never been any commission on agriculture that did not believe its formula to be sacrosanct, and did not believe itself to be omniscient.

I read to the Senate the formula the Department has used. I have not been able completely to understand it. Some of my learned brethren may be able to understand it. It provides:

**FORMULA FOR DETERMINING STATE CONSERVATION RESERVE REGULAR ANNUAL RATES FOR 1957-57**

Conservation reserve regular annual payment rates per acre were established for each State composed of:

- I. A constant amount of \$5 per acre, plus
- II. A variable amount per acre determined separately as follows:

A. Establishing a State productivity index representing the corn feed value equivalent of nonirrigated oats, barley, sorghum grain, and 6 types of hay yields for the most recent available 10-year period.

B. Establishing a State land value index of farmland using a ceiling of \$200 per acre for States having average values higher than \$200 (to exclude influence of mineral and urban values).

C. Establishing a composite State index by giving the productivity index (A) a weight of 3 and the land value index (B) a weight of 1, and dividing the sum by 4.

D. Multiplying \$5 by the State composite index (C).

The national weighted average of the State rates resulting from the sum of I and II above is \$10.09 per acre.

III. For example, for a typical State:

A. The productivity index of equivalent corn feed value of the 9 crops described in II-A above was 74 percent of the national average.

B. The land value index described in II-B above was 41 percent of the national average.

C. The composite State index described in II-C above was 65.75 percent.

D. The composite index multiplied by the \$5 national variable rate resulted in a variable rate for the State of \$3.29.

E. When the variable rate of \$3.29 described in II-D and III-D above was added to the constant \$5 rate for all States described in I above, the indicated result is \$8.29. This was rounded to the whole number of \$8 as shown in the regulations.

Section 485.163 Annual payments—(a) Amount of payment. An annual payment will be made to the producers on the farm for the period of the contract upon determination by the county committee that they have fulfilled the provisions of the contract entitling them to such payment. The amount of the annual payment shall be determined by multiplying the rate or rates of payment per acre determined in accordance with paragraph (b) or paragraph (c) of this section by the number of acres determined in accordance with paragraph (d) of this section.

That is the formula which has been established. It will be seen that what is provided and what we are not supposed to touch, because it is sacrosanct, is an average rental payment that is based on a certain kind of hay, indeed, on six kinds of hay. If a farmer does not grow 1 of those 6 kinds of hay, it will weigh greatly against him in applying the formula. That shows that this is not something that is so sacrosanct that we may not even look at it.

I am a friend of conservation. I have stood on the floor of the Senate when the ACP had been eliminated completely on the other side of the Capitol, and have fought here at a time when it looked as though it would be overwhelmed and it would be impossible to keep the program alive. I believe in conservation today, but I do not believe in this kind of reckless, foolish spending of the tax dollars of the American people in some isolated cases. I do not say that this applies everywhere, but I say that if we do not show a willingness to bring some realism into this program, we will not be doing the farmers a service; instead, we will be doing them a disservice, because these things will come out and they will be made issues, not only within parties, but on the congressional district level and in the State campaigns.

Mr. President, it is going pretty far afield when farmers can get such substantial sums for a practice. I daresay that in some cases, before the law was passed, some farmers would have been

glad to get that much for the land, instead of only for the practice.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the tables which appear on page 135 and page 130 in the memorandum on the amendments.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

**Conservation reserve program—Approved State annual payment rates per acre and average rates on contracts reported signed as of Apr. 15, 1957**

| State               | Approved annual payment rate per acre | Average annual payment per acre on signed contracts |
|---------------------|---------------------------------------|---|
| Alabama.....        | \$8.00                                | \$7.63  |
| Arizona.....        | 9.00                                  | 13.47   |
| Arkansas.....       | 9.00                                  | 7.89  |
| California.....     | 12.00                                 | 9.81  |
| Colorado.....       | 8.00                                  | 7.09  |
| Connecticut.....    | 13.00                                 | 11.60   |
| Delaware.....       | 12.00                                 | 11.42   |
| Florida.....        | 8.00                                  | 7.39  |
| Georgia.....        | 8.00                                  | 7.76  |
| Idaho.....          | 11.00                                 | 7.81  |
| Illinois.....       | 12.00                                 | 11.62   |
| Indiana.....        | 12.00                                 | 10.42   |
| Iowa.....           | 12.00                                 | 11.38   |
| Kansas.....         | 10.00                                 | 10.32   |
| Kentucky.....       | 10.00                                 | 8.57  |
| Louisiana.....      | 10.00                                 | 6.94  |
| Maine.....          | 9.00                                  | 5.62  |
| Maryland.....       | 12.00                                 | 10.77   |
| Massachusetts.....  | 13.00                                 | 8.01  |
| Michigan.....       | 11.00                                 | 7.52  |
| Minnesota.....      | 11.00                                 | 9.09  |
| Mississippi.....    | 10.00                                 | 9.97  |
| Missouri.....       | 9.00                                  | 8.39  |
| Montana.....        | 9.00                                  | 8.52  |
| Nebraska.....       | 9.00                                  | 8.13  |
| Nevada.....         | 7.00                                  | 7.25  |
| New Hampshire.....  | 10.00                                 | 3.16  |
| New Jersey.....     | 13.00                                 | 10.70   |
| New Mexico.....     | 8.00                                  | 8.05  |
| New York.....       | 11.00                                 | 8.35  |
| North Carolina..... | 10.00                                 | 9.53  |
| North Dakota.....   | 9.00                                  | 9.76  |
| Ohio.....           | 12.00                                 | 10.24   |
| Oklahoma.....       | 9.00                                  | 8.77  |
| Oregon.....         | 12.00                                 | 10.48   |
| Pennsylvania.....   | 11.00                                 | 8.99  |
| Rhode Island.....   | 12.00                                 | .....   |
| South Carolina..... | 9.00                                  | 8.74  |
| South Dakota.....   | 9.00                                  | 8.64  |
| Tennessee.....      | 10.00                                 | 9.09  |
| Texas.....          | 10.00                                 | 9.53  |
| Utah.....           | 11.00                                 | 8.89  |
| Vermont.....        | 10.00                                 | 3.39  |
| Virginia.....       | 10.00                                 | 8.30  |
| Washington.....     | 13.00                                 | 11.07   |
| West Virginia.....  | 10.00                                 | 7.02  |
| Wisconsin.....      | 11.00                                 | 8.77  |
| Wyoming.....        | 8.00                                  | 7.26  |
| Total.....          | 10.11                                 | 8.84  |

<sup>1</sup> United States average when weighted by State goals.

**Estimated funds required for contracts signed by farmers through Apr. 15, 1957, by contract period and fiscal year <sup>1</sup> (subsequent to fiscal year 1958)**

| Fiscal year | Annual rental payments        |                               |                                |                         | Practice payments, subtotal | Grand total  |
|-------------|-------------------------------|-------------------------------|--------------------------------|-------------------------|-----------------------------|--------------|
|             | 3-year contracts <sup>2</sup> | 5-year contracts <sup>2</sup> | 10-year contracts <sup>2</sup> | All contracts, subtotal |                             |              |
|             | 1                             | 2                             | 3                              | 4                       | 5                           | 6            |
| 1959.....   | \$3,600,000                   | \$41,100,000                  | \$16,740,000                   | \$61,440,000            | \$7,400,000                 | \$68,840,000 |
| 1960.....   | 3,600,000                     | 41,100,000                    | 16,740,000                     | 61,440,000              | 900,000                     | 62,340,000   |
| 1961.....   | .....                         | 41,100,000                    | 16,700,000                     | 57,800,000              | .....                       | 57,800,000   |
| 1962.....   | .....                         | 41,100,000                    | 16,700,000                     | 57,800,000              | .....                       | 57,800,000   |
| 1963.....   | .....                         | .....                         | 16,700,000                     | 16,700,000              | .....                       | 16,700,000   |
| 1964.....   | .....                         | .....                         | 16,700,000                     | 16,700,000              | .....                       | 16,700,000   |
| 1965.....   | .....                         | .....                         | 16,700,000                     | 16,700,000              | .....                       | 16,700,000   |
| 1966.....   | .....                         | .....                         | 16,700,000                     | 16,700,000              | .....                       | 16,700,000   |
| 1967.....   | .....                         | .....                         | 15,100,000                     | 15,100,000              | .....                       | 15,100,000   |
| Total.....  | 7,200,000                     | 164,400,000                   | 148,780,000                    | 320,380,000             | 8,300,000                   | 328,680,000  |

<sup>1</sup> Data reported on signed contracts have been adjusted for estimated incompleteness of reports and expected alterations by ASC committees.

<sup>2</sup> Because the 1956 program was offered too late for completing practices during 1956, all 3-year contracts, and most 5-year and 10-year contracts, signed in 1956 were automatically extended by 1 year.



Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LAUSCHE. Will the Senator please restate the proposition of paying \$88, first, for the planting of trees, and then the subsequent payments?

Mr. RUSSELL. I think the rental payments in the area to which I referred would be on 13 acres, so \$130 would be paid over a 10-year period. Then at the end of that period of time the farmer will get his land back greatly improved.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield. I said that that was in the highest case.

Mr. AIKEN. I suggest that if certain land is planted to trees, the farmers do not get the full value. They get 30 percent of the rental value for 10 years.

Mr. RUSSELL. That varies within the States under this formula. The Senator from Vermont has very low rental in his State, because the farmers in his State have not been planting the right kind of grasses. They did not produce a great deal of corn that had a corn value in arriving at this formula. But the arrangement varies within the several States.

Mr. AIKEN. We get 30 percent over a 10-year period.

Mr. RUSSELL. That is what the farmer gets in Vermont. I do not want to go into all the States, because comparisons are misleading. Where the payment was \$11 an acre for the land in the fishpond, the farmer got \$1,062 to build the pond. That was more than that State had for its average rental payment.

Mr. AIKEN. If the farmer plants corn or tobacco or wheat land to trees, he would get the full value. If he plants grassland, he gets only 30 percent of the rental value.

Mr. RUSSELL. If he does it for the feed value equivalent of oats, barley, or sorghum grain, he gets more than 30 percent of the value. The Senator's State happens to be one of the States which receives the lowest payments.

Mr. AIKEN. Where grassland exists, we believe a good grassland farm is entitled to as much consideration as the farm of a man who raises barley and oats.

Mr. RUSSELL. He does not get it under this formula.

Mr. AIKEN. He has not got it so far.

Mr. RUSSELL. No.

Mr. President, no one can tell me any program will be wrecked when we are proposing only a very modest reduction of 8 or 10 percent in the annual rental payments to be made. We are not touching practice payments or reducing them in any way. I would be less than frank if I did not say I thought these payments ought to be reduced much more than the amendment envisions.

Let us say a farmer does not put any land in the conservation reserve. Therefore, it is not attractive to him. The truth is that everyone was dealing with the acreage reserve; they were not considering the conservation reserve. The farmers were so busy working out

their acreage reserve programs that they did not get around to the conservation reserve program.

But, Mr. President, do not doubt that they will come into that program this year. When they do get the 10-year contracts, we will have that increase in the budget for the next 10 years as an obligation of the United States Government which will be just as sacred as the payment of the interest on the public debt.

To anyone who says we should not even adopt this limited, modest reduction, I say that, in my opinion, it does not go nearly far enough, without wrecking the whole conservation program, and without paying an income to the farmer.

I am perfectly willing to leave for the record the effect that this program will have on future farm legislation, as to whom was the real friend of the farmer: whether we want to grasp everything we can get now in the new program now, and bring the whole farm program into disrepute, or whether we want to put up a slowdown sign, a very modest slowdown sign, to the Department of Agriculture in allocating these tremendous sums.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ALLOTT. I wish to take issue with the statement the Senator from Georgia has just made, although he has made it in complete candor, about people grasping for every penny they can get. Actually we are engaged in promoting a false farm economy anyway. We will never get a true farm economy so long as we are trying to build a farm economy on six basic commodities.

With respect to the soil conservation program as it applies to the farm economy, the truth of the matter is that approximately 76 or 77 percent of the farmers of the United States are left completely out of the program unless they can participate in the acreage reserve. Some 23 or 24 percent of the farmers of the United States can participate in the acreage reserve.

Mr. RUSSELL. Let me point out to the Senator from Colorado that we have cut down the acreage reserve program for next year by a much higher percentage than it is proposed to cut this program. We have cut back the acreage reserve program from \$612 million to \$500 million. There will be more of a reduction in acreage reserve payments next year than this amendment contemplates there will be in the conservation reserve.

Mr. ALLOTT. In my opinion, the amount should be cut and evened out more than that.

Mr. RUSSELL. I hope the Senator from Colorado will not, in my limited time, place me in the position of defending the acreage reserve program. I do not believe in it.

Mr. ALLOTT. If I am encroaching upon the Senator's time, I apologize. I will procure time from another Senator.

Mr. RUSSELL. I will yield to the Senator. I find I have more time available than I thought I had.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CAPEHART. I would much prefer to take 10, 15, or 20 percent of the amount it is planned to spend for the acreage reserve and the conservation reserve and to put it into research, to find new uses for farm products, so that the farmer could build up his production of commodities as much as he could build up his crop of grass. That is what we ought to be doing. At least, we ought to be trying to do it, because then we would be trying to do something worthwhile.

Mr. RUSSELL. The Senator from Indiana has a theory with which I have considerable sympathy. But we are now confronted with a fact in the form of an actual item in an appropriation bill.

I find I have more time than I thought I had, so I shall be glad to yield further to the Senator from Colorado.

Mr. ALLOTT. I appreciate the kindness of the Senator from Georgia. I think there has been too much emphasis on the acreage reserve.

Mr. RUSSELL. I agree.

Mr. ALLOTT. Not enough emphasis has been placed upon the conservation reserve. In most Western States, if we exclude wheat, there is no basic commodity; therefore, there is no acreage reserve. We still have only 23½ percent.

But, by the same token, we eliminate everybody who has irrigated land, who cannot enter into the conservation reserve on the basis of \$6.50, \$7, or \$7.50 an acre. That is the point I wish to make. I appreciate the Senator's yielding to me, because I think this is an important consideration.

Mr. RUSSELL. It is tremendously important. I am perfectly willing to agree that there is a disparity between basic commodities and other commodities in the two programs. I assume there is an even greater disparity between some of the basics within the acreage-reserve program. Some commodities get a great deal more than others in that program.

For the first time, I have been placed in the light of being an enemy of the farmer. I am perfectly willing to make a record. I hope there will be a record vote, even if I am the only Member of the Senate who votes for the amendment, because I want the RECORD to show that, within my limitations as a member of the Committee on Appropriations, I did all within my power to try to put Congress on notice that if this program were allowed to run on as it today, without any interest being shown in reducing the payments, the program would, in the long run, be very detrimental to the interests of American agriculture.

Mr. HUMPHREY and Mr. THYE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield; and if so, to whom?

Mr. RUSSELL. I have only about 5 minutes left, and I should like to reserve most of that time. But I will yield briefly to the junior Senator from Minnesota.



Mr. HUMPHREY. Mr. President, I want the RECORD to be perfectly clear that the senior Senator from Georgia not only is a friend of the farmer, rather than his enemy, but that he has been a stalwart soldier for American agriculture.

I want it perfectly clear, moreover, that in the disagreement we may have over these funds, many of us are learning a great deal from the argument being made by the Senator from Georgia. My only interest in the matter was to see to it that we do not get ourselves into a straitjacket in terms of the fixed fee in the bill, which would in any way limit the effectiveness of the program.

Mr. RUSSELL. It does not fix the fee on a single acre of land in the United States.

Mr. HUMPHREY. Except as a flat fee for the national average.

Mr. RUSSELL. The highest fee can be paid now; but on the marginal and submarginal land less will have to be paid to bring the average down.

Mr. HUMPHREY. It is fair to say that we are at the exploratory stage in the program, and the argument made by the Senator from Georgia, to my mind, is a constructive argument.

Since I have taken a point of view different from that of the Senator from Georgia, I would not want the RECORD to indicate for a minute that I have not been one who thoroughly appreciates his generous and great contributions to agriculture and agricultural legislation.

Mr. RUSSELL. I appreciate the Senator's comments.

Mr. THYE. Mr. President, if the Senator from Georgia will yield briefly to me, let me say that no Member has a higher regard for him than I have. If ever there was a friend of agriculture, the Senator from Georgia has demonstrated year after year that he is a friend of agriculture.

If any Senator has any misgivings, they are on the basis of a fear that the program will be in bad repute unless some ceiling is imposed on the acreage allotment.

I cannot fully agree with the Senator in regard to the tree-planting program, however, because if a tree-planting contract is signed, the farmer will be putting the acres planted to trees under a long-term contract, one applying for not less than 15 years, and the farmer will not receive the maximum annual rental on that acreage. Instead, he will receive the minimum annual rental, which might amount to as little as \$3 or \$4 an acre. Yet on that acreage he will grow a crop of trees which will be very beneficial to future generations.

Mr. RUSSELL. Mr. President, that is quite correct, but the average paid for tree rentals in my State is somewhat higher than the amount the Senator from Minnesota has indicated. Although such use is beneficial to future generations, and on that basis I have supported all conservation measures, let us not lose sight of the fact that it is very beneficial to the man who owns the land and who places it under the program and receives the payments for rental. This is a conservation program which really can be profitable to the

farmer. The modest overall reduction of \$1.24 an acre will not hurt the program. Any figures which would show that it would be necessary to make a reduction of more than \$1.24 an acre merely indicate that for some reason the Department of Agriculture has decided to make more than the average cut in the particular State concerned. But if the Department decides to make a fair application across the board, the reduction cannot be more than \$1.24 an acre.

It is my judgment that sound government and prudent expenditure of public funds, as well as avoidance of depletion of what little reserve the farmer has in the bank of good soil in the Nation, dictates that the Senate, if it be wise, adopt the committee amendment.

Mr. President, I reserve the remainder of the time available to me.

The PRESIDING OFFICER (Mr. TADMAGE in the chair). The Senator from Georgia has 4 minutes remaining, and the Senator from South Dakota has 10 minutes remaining.

Mr. MUNDT. Mr. President, I yield 3 minutes of my time to the Senator from Illinois [Mr. DIRKSEN].

The PRESIDING OFFICER. The Senator from Illinois is recognized for 3 minutes.

Mr. DIRKSEN. Mr. President, both the pending committee amendment and the amendment submitted to it by the Senator from South Dakota [Mr. MUNDT] were roundly discussed in the Appropriations Committee.

I certainly respect and admire the conviction the distinguished Senator from Georgia brings to this cause. I am fully sensible of the zeal and devotion he has given to the entire cause of agriculture; and I speak from a wealth of experience, dating back to the days when he and I sat across the conference table from one another, during the consideration of agricultural appropriation bills. However, I believe the arithmetic of this case is against him, and is in favor of the position taken by the Senator from South Dakota.

The approved rental would be \$12 an acre; but for every acre on which \$12 would be paid, it would be necessary to find another acre on which \$3 would be paid; that would be necessary in order to arrive at the average of \$7.50.

Mr. RUSSELL. Mr. President, the Senator from Illinois knows that the national average is \$7.50; that figure is not based on the situation in Illinois.

Mr. DIRKSEN. That is correct. I am saying that for every acre on which \$12 was paid, in the case of my State, it would be necessary to find another acre on which \$3 was paid. Under those circumstances, I cannot see any incentive for a farmer to engage in the program. If that is so, why have the program? In that case, we might just as well delete the \$350 million from the bill, and forget about the conservation reserve.

I am also afraid that so much rigidity would be imposed on the program, that the Secretary of Agriculture would find it very difficult to administer. How would he be able to know how many acres and what kind of acres would be placed under the program, let us say, next year? He would have no idea.

Then when he found he had to operate under an average limitation, perhaps he would be able to make only tentative contracts with the farmers, until he was able to discover whether one average limitation for the entire country was to be applied. That would be a difficult piece of administrative work to undertake. I would prefer to see this run for at least 1 year, and then, on the basis of experience, and if these fears are confirmed, perhaps a limitation of this kind could be established.

The PRESIDING OFFICER. The 3 minutes yielded to the Senator from Illinois have expired.

Mr. DIRKSEN. Mr. President, will the Senator from South Dakota yield to me 1 additional minute?

Mr. MUNDT. Mr. President, I yield 1 additional minute to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 additional minute.

Mr. DIRKSEN. I thank the Senator from South Dakota.

Mr. President, in summary let me say that, at one end of the scale, some very good land might come in; but at the other end of the scale, some very bad land might come in; and that would not improve the conservation reserve and the attainment of its objectives.

Therefore, I hope the amendment of the Senator from South Dakota to delete the limitation provided by the committee amendment will be agreed to by the Senate.

Mr. MUNDT. Mr. President, I yield 2 minutes to the distinguished ranking minority member of the Senate Committee on Agriculture and Forestry, the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. AIKEN. Mr. President, although this appropriation bill as a whole is a good one, and received a great deal of study and thought on the part of the Appropriations Committee, and particularly on the part of its chairman, yet I believe that if the Senate adopts the committee amendment restricting the payment on land put into the conservation reserve, it will be going a long way toward defeating the purpose of that part of the soil-bank program.

I believe that the amendment of the Senator from South Dakota to the committee amendment should be agreed to. If it is agreed to, I believe it will result in the withdrawal of a great deal more land from production, and the placing of that much more land into forests, recreational areas, sodded land, and land planted to clover or soil-conserving crops; and in that way the purpose for which the soil bank was established will be effected.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. RUSSELL. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Georgia has 4 minutes remaining, and the Senator from South Dakota has 4 minutes remaining.



Mr. MUNDT. Mr. President, inasmuch as no other Senators on this side wish me to yield time, I shall sum up the case for my amendment.

First of all, in regard to what the Senator from Georgia said about the reduction from \$8.44 to \$7.50, which would now become the legislative mandate, let me say that those figures are not the comparable ones. Instead, we must compare the \$7.50 proposed legislative mandate with the \$10.11 national average used by the Department of Agriculture in connection with the allocations. That is the case, because in every State of the Union, there are a number of nondiverted acres. Actually, 400,000 acres of the 700 million acres thus far in the conservation reserve are these nondiverted acres, which are paid for at 30 percent of the prevailing State rates. So if the Senators from Washington or the Senators from Missouri, or the Senators from Oregon intend to vote to deprive the farmers of their States of an opportunity to participate in the program, at least such Senators should let the RECORD show that they will be voting to scuttle the program in their area and to deprive the farmers of their States of those benefits, in view of the record as it now stands, as shown by a study of this debate, because the figures to which I have just referred are the comparable ones, and the committee proposes that they be cut some \$2.75 an acre, on the average, rather than the 8 or 9 percent referred to by the Senator from Georgia.

Something was said about fishponds, by Senator RUSSELL. I am never reluctant to argue in favor of fishponds. I was in favor of placing fishponds and marshes into the conservation program. I am in favor of that. I made the motion and lead the successful fight in our Agriculture Committee when we incorporated inundated acres in the basic soil bank legislation. I can think of no better use for idle acres than impounding water and providing nesting places for ducks and providing breeding places for fish and recreational areas for children. We have provided for it in this soil bank program and I am happy to reaffirm my support of it despite the remarks of the distinguished Senator from Georgia.

If the farmers are being paid a specific amount per acre, that is being done because the land which was taken out of cultivation resulted in a decrease to the farmer of that much income before the land was put under water. Had that not been uncultivated land, the farmer would be getting 30 percent less than that rate of income. I am proud that the Izaak Walton League, the sportsmen's clubs and the American Wildlife Federation favor the use of part of the soil bank program for wildlife purposes to restore wet lands and recreational opportunities.

As to putting a halt to the program, all the committee proposal would do would be to halt it in States like Washington, Kansas, Oregon, Ohio, Indiana, Illinois, and other similar States, because we would still be spending the same \$350 million we would otherwise

spend. In the coming years it does not make any difference whether we divide the \$350 million among all the States of the Union, as I propose to do, or place quarantines on States like Washington, Oregon, Indiana, Ohio, and Illinois.

I suggest that, having a program which is national in scope, it should be nationally supported. To do that we should adopt my amendment and place economic factors above political favoritism.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MAGNUSON. Mr. President, will the Senator from Georgia yield 1 minute to me?

Mr. RUSSELL. I yield to the Senator from Washington.

Mr. MAGNUSON. The Senator from South Dakota has mentioned the States of Washington and Oregon, in which payments have been above the national average of \$8.84. As the Senator from Georgia knows, in my State the payments run between \$10 and \$16. There was some fear that an express limitation of \$7.50 an acre would shut off States like Washington, or similar States—some 30 States—from the possibility of receiving payments within those amounts.

The PRESIDING OFFICER. The minute of the Senator from Washington has expired.

Mr. MAGNUSON. I should like to ask the Senator from Georgia this question: Despite the fact that the average is \$8.84, and that the payments in some States, such as the State of Washington, are higher, under the amendment submitted by the Senator from South Dakota the same amounts now paid could still be paid, could they not? If the Department of Agriculture administers this program in the same way it has, trying to equalize the payments, it is still possible that it will pay the same amounts for the land that is set aside in the State of Washington. Is that correct?

Mr. RUSSELL. The Department could make the same maximum payment, but I must be frank and say that it would be necessary, on the poorer type lands, to make lower payments. I would say it would not be necessary to reduce the payments made in the State of Washington, but the national average would have to come down about \$1.24 an acre.

Mr. MAGNUSON. It would not discourage those who really wanted to put the highly cultivated land, or the top land, into the conservation reserve.

Mr. RUSSELL. I should like to think the Department of Agriculture will have enough judgment to maintain the payments on the productive land.

Mr. MAGNUSON. That is the whole purpose of the provision.

Mr. RUSSELL. Mr. President, I wish to address myself to the pending amendment. We hear much about economy. We now have an amendment before us that affords a real test as to how Senators feel about economy.

I wish to point out again that when one dollar is obligated under this program, we are committing ourselves,

under the program, to pay \$10 in a \$350-million program. If it is obligated at \$10, over a 10-year period, we have obligated ourselves to that extent. We have a chance to vote not only to save \$1.24 an acre this year, and bring some measure of realism into this program, but to save it over a period of 10 years. We are not going to do any good by piddling around with some minor adjustments in the program when we vote for a program on which we shall have to pay year after year.

If Senators are for economy in Government, if they are interested in demonstrating that they have an interest in it other than a mere bookkeeping or arithmetical interest, this is a mighty fine chance to show it. Senators can effect real economy without injuring any part of the conservation reserve program. Indeed, in my opinion, Senators will strengthen it.

I hope the committee will be sustained.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

|               |                 |              |
|---------------|-----------------|--------------|
| Alken         | Goldwater       | Morton       |
| Allott        | Gore            | Mundt        |
| Anderson      | Hayden          | Murray       |
| Barrett       | Hennings        | Neuberger    |
| Beall         | Hickenlooper    | O'Mahoney    |
| Bennett       | Hill            | Pastore      |
| Bible         | Holland         | Potter       |
| Bricker       | Humphrey        | Purtell      |
| Bush          | Ives            | Revercomb    |
| Butler        | Jackson         | Robertson    |
| Byrd          | Javits          | Russell      |
| Capehart      | Jenner          | Saltonstall  |
| Carlson       | Johnson, Tex.   | Schoeppel    |
| Carroll       | Johnston, S. C. | Scott        |
| Case, N. J.   | Kennedy         | Smith, Maine |
| Case, S. Dak. | Kerr            | Smith, N. J. |
| Church        | Knowland        | Sparkman     |
| Cooper        | Kuchel          | Stennis      |
| Curtis        | Lausche         | Symington    |
| Dirksen       | Long            | Talmadge     |
| Douglas       | Magnuson        | Thurmond     |
| Dworshak      | Mansfield       | Thye         |
| Eastland      | Martin, Iowa    | Watkins      |
| Ellender      | Martin, Pa.     | Wiley        |
| Ervin         | McNamara        | Williams     |
| Flanders      | Monroney        | Yarborough   |
| Frear         | Morse           |              |

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUNDT. Does the vote now come on the so-called Mundt amendment, and will an affirmative vote be a vote to strike out the \$7.50 limitation?

The PRESIDING OFFICER. The Senator is correct.

On the amendment of the Senator from South Dakota the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr.



CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Tennessee [Mr. KEFAUVER], the the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Arkansas [Mr. McCLELLAN], is absent by leave of the Senate on official business.

I further announce, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from Nebraska [Mr. HRUSKA], the Senator from Nevada [Mr. MALONE], and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from North Dakota [Mr. LANGER] are absent because of illness.

The Senator from Maine [Mr. PAYNE] is necessarily absent, and if present and voting, he would vote "yea."

On this vote the Senator from New Hampshire [Mr. COTTON] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from Nebraska would vote "yea."

Mr. BARRETT (after having voted in the negative). Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator is recorded as having voted in the negative.

Mr. BARRETT. I wish to change my vote to "yea."

Mr. SALTONSTALL (after having voted in the negative). Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator is recorded as having voted in the negative.

Mr. SALTONSTALL. I vote "yea."

Mr. JACKSON (after having voted in the affirmative). Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator is recorded as having voted in the affirmative.

Mr. JACKSON. I vote "nay."

Mr. MUNDT. Mr. President, I ask for the regular order.

Mr. KNOWLAND. Mr. President, I demand the regular order.

The VICE PRESIDENT. The clerk must have time to tally the vote.

Mr. MORSE (after having voted in the affirmative). Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator is recorded as having voted in the affirmative.

Mr. MORSE. I vote "nay."

Mr. NEUBERGER (after having voted in the affirmative). Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator is recorded as having voted in the affirmative.

Mr. NEUBERGER. On this vote I have a pair with the Senator from Arkansas [Mr. McCLELLAN]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." I therefore withhold my vote.

Mrs. SMITH of Maine (after having voted in the negative). Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator is recorded as having voted in the negative.

Mrs. SMITH of Maine. I vote "yea."

The result was announced—yeas 40, nays 38, as follows:

#### YEAS—40

|               |              |              |
|---------------|--------------|--------------|
| Aiken         | Curtis       | Morton       |
| Allott        | Dirksen      | Mundt        |
| Barrett       | Flanders     | Potter       |
| Beall         | Goldwater    | Purtell      |
| Bennett       | Hennings     | Revercomb    |
| Bricker       | Hickenlooper | Saltonstall  |
| Bush          | Holland      | Schoeppel    |
| Butler        | Humphrey     | Smith, Maine |
| Capehart      | Ives         | Smith, N. J. |
| Carlson       | Javits       | Thye         |
| Carroll       | Jenner       | Watkins      |
| Case, N. J.   | Knowland     | Wiley        |
| Case, S. Dak. | Kuchel       |              |
| Cooper        | Martin, Iowa |              |

#### NAYS—38

|          |                 |            |
|----------|-----------------|------------|
| Anderson | Jackson         | Murray     |
| Bible    | Johnson, Tex.   | Pastore    |
| Byrd     | Johnston, S. C. | Robertson  |
| Church   | Kennedy         | Russell    |
| Douglas  | Kerr            | Scott      |
| Dworshak | Lausche         | Sparkman   |
| Eastland | Long            | Stennis    |
| Ellender | Magnuson        | Symington  |
| Ervin    | Mansfield       | Talmadge   |
| Frear    | Martin, Pa.     | Thurmond   |
| Gore     | McNamara        | Williams   |
| Hayden   | Monroney        | Yarborough |
| Hill     | Morse           |            |

#### NOT VOTING—17

|           |           |           |
|-----------|-----------|-----------|
| Bridges   | Hruska    | Neuberger |
| Chavez    | Kefauver  | O'Mahoney |
| Clark     | Langer    | Payne     |
| Cotton    | Malone    | Smathers  |
| Fulbright | McClellan | Young     |
| Green     | Neely     |           |

So Mr. MUNDT's amendment was agreed to.

Mr. MUNDT. Mr. President, I move that the Senate reconsider the vote by which the amendment was adopted.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from South Dakota.

The motion to lay on the table was agreed to.

Mr. RUSSELL. Mr. President, I suppose I shall have to offer an amendment in order to get a little time.

The VICE PRESIDENT. The Senator is correct.

Mr. RUSSELL. Therefore, Mr. President, I move on page 28 in line 14, to strike out the figure "\$350 million" and insert in lieu thereof the figure "\$250 million."

The VICE PRESIDENT. How much time does the Senator desire to yield to himself?

Mr. RUSSELL. I have 30 minutes, I believe, on the amendment. I shall consume only a few minutes, and then yield back the remainder of my time.

First, I wish to say that the amendment which has just been adopted was

adopted by a strictly party vote. We have not had a great many true economists—with the exception of the distinguished Senator from Delaware [Mr. WILLIAMS], who is a true economist—but we have had a great deal of talk about economy, but do not always vote for it. I believe there were 1 or 2 affirmative votes on this side of the aisle, but aside from that, I believe this is one of the few times when we have had a strictly party vote on an agricultural issue. I would have much preferred to have the amendment disposed of strictly on its merits, even though it had lost by a much larger vote, than to have it determined as a party issue.

I believe the Senate has made a great mistake. However, that is one of the benefits of serving in the Senate; that is, we can always question the wisdom of the majority.

Mr. President, I have offered an amendment, and I hope the Senate will give me a yea-and-nay vote on it. I wish to say to my colleagues on this side of the aisle that I do not ask any of them to vote for the amendment for any reason on earth except on its merits, certainly not for personal reasons. I am offering the amendment because in committee, when the motion was made to increase the total amount which would be available for the conservation-reserve payments above the House figure by \$100 million, I voted for it, with the understanding that there would be at least some effort made to show that there was some concern on the part of the Senate about the payments which were being made. I therefore reoffer the amendment now to give economy advocates a chance to cast an economy vote, which is spelled out in terms of dollars and cents, rather than in terms of trying to clean up a program and to save a few hundred million dollars from it.

Leaving aside all that I have said, if we are to maintain these high payments, and if we are to permit fishponds to be constructed at a cost of \$1,062 and then pay the farmer who built the pond \$11 an acre for 10 years with money taken from the Federal Treasury, and in addition permit him to enjoy the benefits of the fish which are in the pond—and incidentally he would get the fish free from the Government—then it seems to me that we should hold this program down and have a chance to evaluate it.

The expenditures for this year for this program were about \$172 million. Even if the amendment is adopted, it will give leeway for an increase of about \$70 million during the next year. It will be possible to build a great many dams or fish ponds, and to make a great many practice and rental payments with \$172 million.

I do not offer the amendment facetiously. I certainly do not offer it out of resentment because the last amendment was adopted. I do so because I voted to increase this amount in committee, and because I thought that some effort was going to be made to put some little economy into the program.

Certainly if the rates of payment are to remain as high as they are, there will be a heavy obligation on the part of the



Government, because the money will be paid out 3, and 5, and 10 times over. If we look at it from the standpoint of 10-year contracts, it will mean \$2,500,000,000, even at the lower figure.

I do not wish to labor the point. I merely wish to have a yea-and-nay vote on the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CASE of South Dakota. Is the Senator's amendment offered to the figure that deals with the dam-building program or with the conservation-reserve program?

Mr. RUSSELL. The dam-building program is a part of it. We pay the ACP payments out of the soil bank. The two programs run along.

Mr. CASE of South Dakota. I did not catch the Senator's statement with reference to where the amendment would come in the bill. Is it directed to the program that deals with the soil conservation program or is it to be a part of the new soil bank program?

Mr. RUSSELL. It is directed to the soil bank program. It does not touch the ACP program. A great deal has been made here of the fact that this program is in its infancy; that it is being tried out.

The Senate has decided in its wisdom—and the decision may be right—not to disturb the scale of payments now being made. It amounts to having the Government committed to another billion dollars of expenditures, whether the payments are proper or not. The amendment will allow a reasonable increase in this program over the next year of about \$70 million. It will give us time to evaluate and study and recheck the practice payments and rental payments. They appeared to me as being a little high, and also to the distinguished Senator from North Dakota, who offered the amendment in the committee. However, if we want to keep the high payments, let us not embark on such a large program, but hold the program to \$250 million, because it can cost a billion dollars before it is over.

I do not wish to labor the point. I wish to go on record myself on this amendment. Therefore I ask for the yeas and nays on the amendment.

The VICE PRESIDENT. The yeas and nays have been requested. Is the request sufficiently seconded?

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, I reserve the remainder of my time.

Mr. DIRKSEN. Mr. President, will the Senator yield, only for the purpose of refreshing my memory and that of other members of the committee?

Mr. RUSSELL. I yield.

Mr. DIRKSEN. I believe the Senator from Georgia proposed to make the amount \$350 million.

Mr. RUSSELL. That is completely in error. The Senator from South Dakota [Mr. MUNDT] offered the \$350 million amendment. I stated I thought that amount was too high. I leave it to the conscience and integrity of the Senator from South Dakota to say if that is not

a fair statement. I want the RECORD to show that the Senator from South Dakota not only nodded his head but also said that my statement was correct.

Mr. DIRKSEN. But did not the Senator from Georgia say that \$325 million was agreeable to him?

Mr. RUSSELL. I said I thought we should not go higher than that amount, in any event; but \$300 million was as high as I thought we should go.

Mr. DIRKSEN. Am I correct in my recollection that that was deleted by the Mundt amendment, and that the vote was actually 11 to 8 in the full Committee on Appropriations, although after the total amount was first written into the bill, and we had a long discussion about the \$7.50 limitation, all members of the committee were fully informed about that, and still there was an almost even division in the committee on this limitation?

Mr. RUSSELL. I do not remember the exact vote; I think it was 13 to 9.

Mr. DIRKSEN. I think it was 11 to 8.

Mr. RUSSELL. Anyway, the margin was strongly in favor of the position I took. But I do not see what light that throws on the matter. I am not here representing the committee. I stated I was not. I am here in my individual capacity as a Senator from Georgia, offering an amendment which I believe in good conscience should be agreed to.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. Under the unanimous consent agreement, in which the time is divided on this and other amendments, I should like to inquire about the provision as to the control of the time.

The Senator from Georgia has offered an amendment. He obviously would have control of the time of the proponents of the amendment. I wanted to clarify the situation, because there have been some requests for time on this side of the aisle.

The VICE PRESIDENT. Under the agreement on the Mundt amendment, which applies to this and other amendments, the majority leader would control the time, unless he took the other position on the amendment.

Mr. JOHNSON of Texas. As I understand the unanimous-consent agreement, I control the time in opposition, but I should be glad to yield to whomsoever the Senator from California suggested I should yield to.

Mr. RUSSELL. Mr. President, I hope this hiatus is not coming out of my time. [Laughter.]

Mr. JOHNSON of Texas. Under the agreement which has been entered into, the majority leader would control the time in opposition to the amendment. According to our practice, when the majority leader is in favor of an amendment, the time is controlled by the minority leader. Since I am in favor of amendment, I ask unanimous consent of the Senate that I be permitted to yield the control of the time in opposition to the amendment to the minority leader.

The VICE PRESIDENT. The minority leader will control the time in opposition.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, the amount of \$200 million, which the Senator from Georgia would allow for carrying on the conservation reserve program this year, is \$50 million less than the amount allowed in the House bill.

Mr. RUSSELL. Oh, no; it is identically the same. I said \$250 million.

Mr. AIKEN. I understood the Senator to say \$200 million.

Mr. RUSSELL. It is identically the same.

Mr. AIKEN. But if the amendment shall be agreed to, it will mean breaking commitments to the farmers of the country next year. This year, with the program only getting partially started, more than \$177 million is being spent. It is expected that the program will approximately double next year, provided there is no change in the rate paid for land put into the conservation reserve. The Senate has voted that there will be no change.

Therefore, \$350 million will be needed next year. If it is not provided, it will be necessary to go to the farmers of Montana, Washington, Missouri, New York, and other States, and to say, "We have broken our faith with you. We are not going to pay you what we said we would pay."

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. AIKEN. I have no time to yield. If the Senator will give me time, I will yield.

Mr. RUSSELL. I will yield 1 minute to the Senator. Certainly that should be sufficient.

When we know that the contracts in force required only about \$80 million for rental payments, and the other contracts were for practice payments, we are breaking commitments with nobody in the amendment.

Mr. AIKEN. The Department of Agriculture tells me they expect the conservation-reserve program to be about doubled next year, and that will require about \$350 million. They cannot possibly operate the program with \$250 million. If that is all we will appropriate, it would be necessary to say, "We are not going to give you the amount which we said we would give you."

We can go to the people of those States and say, "We are not going ahead with the forestry program which we had planned so as to put the United States in a self-sufficient position in the interest of national security."

We can say, "We are not going to let you set this land aside for wildlife refuges."

We can say, "We have decided not to pay you for putting some of the land into recreational areas, of which we are so desperately short in this country, and which all city people are anxious to have."

We can say, "We are not going to pay you the full amount we said we would pay you for taking land out of poor



crops and putting it into cover crops, so that at the end of 5 years' time it will be much better than it is now."

We can say, "We have simply lost interest in building up the soil under the conservation reserve."

Also, we can go to many States of the Union—I think more than half of them—and say, "The proposal we made to you last year, under which we gave you money to expand the State nurseries by 400, 500, or 600 percent, is all off now. You can throw those trees away, because we are not going to let you have any more of a program than you had during the last year."

Mr. President, I do not think we want to do that. I consider that when we have made a commitment, we should provide the means for keeping that commitment. If the objective or the purpose is to destroy the conservation-reserve program, we have a good chance to do it. But I do not think we want to do that. We have made a commitment which should run for 2 years more—or for 1 year more at least. We are just beginning to try out that program this year. Certainly we do not want to go back on our commitments at the first opportunity we have.

It is unthinkable that the Senate should commit itself to a program, and then deliberately undertake to destroy the program or to cripple it by not appropriating the amounts of money necessary to carry it on.

Mr. KNOWLAND. Mr. President, I yield 4 minutes to the senior Senator from Minnesota.

Mr. THYE. Mr. President, the only reason why a soil bank provision was enacted as a part of the farm program was to endeavor to reduce the overall number of acres which are harvested every year. There is no way in the world by which crop production can be reduced except by curtailing the number of acres on which crops are grown or from which they are harvested. The most economical phase of the entire farm program last year was that involved in crop reduction.

If a farmer goes into the acreage reserve program, he is paid up to \$47 or \$50 an acre to place productive acres under the contract. But under the conservation phase of the soil bank, acreages are being contracted for at the rate of \$3, \$4, and \$5 an acre, although in a few instances in my State the rate has gone above \$11 an acre.

If a farmer plants trees, he enters into a 10-year contract. He ties his land up for 10 years. He takes it out of production for that number of years. He gets \$3, \$4, or not to exceed \$5 an acre under that long-term contract.

Trees are being grown on that land which will benefit future generations. Not only is the countryside being beautified, but the fertility of the land is being built up, because if it is planted 25 or 30 years from now, it will be virgin land from which crops may be harvested. Therefore, the conservation aspect of the soil bank is the most economical phase of the entire farm program.

Mr. President, we should consider the money which is being poured out under Public Law 480 in order to dispose of

surplus commodities in foreign countries. Consider the billions of dollars which are going into that program. What is happening? We are taking the fertility out of our land and are putting it into giveaway programs for the benefit of foreign countries.

I regret that my distinguished friend from Georgia saw fit to offer this amendment. He is one of the greatest friends agriculture has ever had. But in this instance he is acting against the interests of agriculture. He is denying to agriculture the conservation aspect of this program, which is the cheapest, the most economical and the most beneficial to American agriculture.

For these reasons, I most sincerely hope that the Senate will reject the amendment. To adopt it will be taking a backward step, rather than a step forward with a constructive, sound farm program.

Mr. HUMPHREY. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield 3 minutes to the Senator from Minnesota.

The VICE PRESIDENT. The Senator from Minnesota is recognized for 3 minutes.

Mr. HUMPHREY. Mr. President, it appears to me that the amendment would have been more properly offered if the proposed limitation had been placed on the national average payment per acre, because if the national average payment had been reduced to not to exceed \$7.50 an acre, the sum total of the appropriation carried at this point in the bill might well have been reduced.

However, since the Senate has taken a contrary view, and has overridden the committee amendment, and has sustained the present position of the Department in regard to the payments under the conservation program, which average approximately \$8.84, it seems unwise to strike \$100 million from this appropriation item.

It has been made perfectly clear here that the conservation program was slow in getting started. That occurred because during the first year of the soil bank, the emphasis was upon the acreage reserve section. Some of the delay occurred because of politics, and some of it occurred because of the lack of incentive. Regardless of that, we realize that the acreage reserve program is at best a temporary expedient for the purpose of reducing production. I say it has not worked well—but even the acreage reserve should be continued. The action of the House in eliminating the acreage reserve program in 1958 is unwise.

But the conservation reserve program is dedicated to getting marginal lands out of production and to storing fertility in the soil, rather than to storing the products of the soil in bins. The conservation reserve program is for reforestation, wildlife refugees, recreational areas, and building up the fertility of soil which has had its fertility depleted.

Therefore, if we were now to reduce the appropriation for the program, we would be turning back on what we began in a very affirmative way. If we were to reduce the appropriation, it might be possible to get by for 1 year. But if the

appropriation for the program is cut now, we shall be saying to the farmers of the Nation that the conservation reserve program is to be limited and is in retreat, and that they cannot depend on it. We must remember that under the conservation reserve program there is a plan for long-range programming. Instead, those contracts are for 3, 5, 10, or 15 years. This is the kind of program that is needed in order to prevent certain areas of the country from becoming desert areas. This is the kind of program that is needed in the Great Plains and in cutover sections and in sections where the productive capacity of the soil has been depleted. This program must not be sacrificed. I am willing to take the gamble of having the Government spend a little too much for the conservation reserve, rather than to have it spend too little. Therefore, Mr. President, with all deference to Senators who believe to the contrary, I plead with my colleagues on this side of the aisle to vote for the appropriation necessary to put this program into operation.

We must remember that this will be the maximum, and there will be no mandate that all of the appropriation be spent. Since the Senate has voted to strike out the limitation proposed by the committee—and by my vote I helped the Senate take that action, because I thought that was the right thing to do—it seems to me that the full \$350 million will be needed, now that the Senate has said there will be no limitation per acre on the payments on the conservation reserve contracts.

The VICE PRESIDENT. The time of the Senator from Minnesota has expired.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from South Dakota [Mr. MUNDT].

The VICE PRESIDENT. The Senator from South Dakota is recognized for 5 minutes.

Mr. MUNDT. Mr. President, I sincerely hope that our good friends on the Democratic side of the aisle will give cool and calm consideration to the presentation they have just heard from my friend and neighbor, the Senator from Minnesota [Mr. HUMPHREY].

I was no less disappointed than was the distinguished Senator from Georgia at the distinctly partisan vote taken on the previous amendment, when, almost without exception, our friends on the Democratic side of the aisle voted against my amendment removing the restriction in the payment, as proposed by the committee. Since that was a partisan position, and a partisan vote, however, I am proud to be able to say that there were exceptions, and that the Senator from Minnesota [Mr. HUMPHREY], the Senator from Florida [Mr. HOLLAND], and 1 or 2 other Senators on the Democratic side of the aisle voted as I am sure they would, namely, in conformity with the position taken by our agricultural committee and in favor of my amendment to sustain that position.

Since the vote was a partisan one, Mr. President, I was never more proud than I was of the position taken by Senators on the Republican side of the aisle, the Senators who belong to our party. Mr. President, the farmers of the Nation will



study that rollcall vote and will study the record of this rebate in that connection, and they will observe that, almost without exception, the Senators on the Republican side of the aisle voted to stand by the commitments made to agriculture, and refused to shortchange the American farmer. Every Republican in America can be proud of the record made by the Senators of his party tonight.

In fact, Mr. President, I plead with my Democratic friends not to permit petulance or disappointment because of the defeat they had on the other amendment to induce them to vote for the proposed slash of \$100 million in the appropriation needed in order to comply with the soil-bank promises made to the American farmers. If Senators wish to see the income of the farmers in their States really drop, let Senators vote for the pending amendment, which would reduce the appropriation by \$100 million, taking that amount directly away from the American farmer, who has been promised it by legislation enacted by his Congress.

If Senators wish to penalize the farmers who have entered into such contracts with the Government, and if Senators want to see such farmers have to throw up their hands in despair at the action of a Government which, one year, promises them a \$450 million program, and the next year reneges, let Senators vote for the pending amendment. Let the rollcall tell the story. Certainly, our farmers have a right to expect some kind of assistance and some kind of helpful revision in the program the Congress presents on agricultural problems.

No other program operates for the benefit of the farmer in this area today. Certainly, if the Senate votes to roll a stone up the hill one day, and then to roll it down the next day, like Sisyphus, the farmers will have nothing on which to rely. I certainly hope that all Democratic Senators will vote unanimously this time, as they almost did on the other amendment; but in this case I hope all Democratic Senators will vote in favor of the \$350 million item and not to cripple our soil-bank program before it is even given a fair trial.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Kansas [Mr. CARLSON].

The VICE PRESIDENT. The Senator from Kansas is recognized for 2 minutes.

Mr. CARLSON. Mr. President, I think the Senate acted wisely in voting against the \$7.50 per acre limitation, on a national average; and I believe it would be unwise for the Senate to vote to reduce by \$100 million this \$350 million item.

As I stated regarding the other amendment, if a cut is to be made, as proposed by the committee amendment, we might just as well eliminate all of the \$350 million.

I firmly believe that if the other amendment had been adopted, even more than the proposed \$350 million might have been needed.

I do not have a great deal of faith in the acreage reserve, even though some others do. But in the present case we are dealing with the conservation reserve program, which might well have an ap-

propriation of \$500 million. We have 131.9 million acres of class 4 land, some of which should be in grass, and some of it should be in trees. Let us get the land back to grass and to trees, and let us increase by a small number of dollars the per acre payments to be made, instead of trying to maintain a program calling for payments of \$10, \$15, \$30, \$40, or \$50 an acre.

So I urge the Senate to vote for the full amount of \$350 million, which was the amount called for in the committee amendment as reported by the Senator from Georgia [Mr. RUSSELL].

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Florida [Mr. HOLLAND].

The VICE PRESIDENT. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, I have been somewhat disappointed to hear Senators speak of the last vote as if it were purely a party vote. So far as I am concerned, I do not take a party position on matters gravely affecting the agricultural life of the Nation. That has been my position on the issue of price controls and in matters in the field of conservation, as well as other matters, and that was my position in regard to the vote taken recently.

On the contrary, both in the Appropriations Committee and on the floor of the Senate I have voted my convictions, which were to the effect that the limitation sought to be imposed would be very hurtful in parts of the Nation. We must remember that this is a national question, not a State question.

On this particular part of the argument, I agree completely with the position already taken by my able friend, the junior Senator from Minnesota [Mr. HUMPHREY].

I think that this program, the conservation reserve program, is the very heart of this whole soil bank approach. Conservation reserve means we are going to be planting trees and we are going to be building soil and we are going to be building up the fertility of cultivated acres, many of which are worn out. If there is anything in the soil bank that appeals to people who want to build up fertility in the soil and restore fertility to wornout soil, it is the conservation reserve program. My only point is that the approach under the committee proposal is too timid, because it allows only \$350 million for that which is the heart of the program, whereas the authorization last year set up a \$450 million program for the conservation reserve for the year 1958.

I do not like to see us march right back down the hill when an issue of this kind comes before us. Particularly, I do not like to see any approach to this question on a partisan basis. I decline to follow anyone on a partisan basis on this kind of issue.

As I recall the vote, I heard several votes on this side of the aisle in support of the recent action taken on the amendment of the Senator from South Dakota—the Senator from Missouri [Mr. HENNING], the Senator from Minnesota [Mr. HUMPHREY], the senior Senator from Florida, myself, and others

whose vote I perhaps did not hear. I am sure the reason why most of the votes on this side were cast the other way was due more to the fact that they were trying to stand by the committee action and back up a very popular and effective subcommittee chairman. It happened that the Senator from Florida had taken a different position in the committee, and he took it in voting on the floor, although he did not say anything about it.

I hope we shall not approach this kind of question from a partisan standpoint. I hope we shall not be cutting the heart out of the conservation reserve program for this approaching year by reducing the appropriation \$200 million below that which we authorized for fiscal 1958 when we passed the bill a little over a year ago. I hope the amendment of the Senator from Georgia will be defeated.

Mr. MORSE. Mr. President, I wonder if the proponents will allow me 1 minute?

Mr. RUSSELL. I gladly yield 1 minute to the Senator from Oregon.

Mr. MORSE. I shall be frank in my explanation of why I shall vote against the amendment. I have checked it with conservation and forestry groups in my State. They all point out that, so far as my State is concerned, this program is highly to be desired from the standpoint of conservation and wildlife refuges, as mentioned by the Senator from Minnesota. Therefore, while I am disappointed whenever I do not vote with the Senator from Georgia, in the interests of conservation in my State, I shall vote against the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator from Illinois yield 2 minutes to me?

Mr. DIRKSEN. I yield 2 minutes to the Senator from South Dakota.

Mr. CASE of South Dakota. Personally, it is difficult for me to understand the purpose of the amendment. If there is anything to conservation, I should think we would want to offer the maximum opportunity for achieving conservation. If the money is not contracted for, it will not be spent; but if the purposes of conservation, for which the conservation reserve program was established, are to be accomplished, money has got to be appropriated in order to make the program effective. If the acres are not signed up, the money will not be spent.

On pages 684 and 685 of the hearings there appears a table showing the payment an acre, and the extent, under the conservation practices carried out under the 1956 conservation reserve program. This table is followed by footnotes which describe the practices for which payments are allowed. From these I read:

The first column is A-2, "Planting a permanent cover of grasses and legumes for soil protection."

The next is A-4 for "Treatment of cropland with lime to permit the use of grasses and legumes, soil improvement, and protection."

The next—A-7 is "Planting trees or shrubs for erosion control, watershed protection, shelter belts, or forestry purposes."



I may say that the A-7 practice was the only one used in my State last year.

Next—B-7 is "Dams, pits, or ponds to permit the protection of educated cover."

C-14 is "Dams, pits, or ponds for irrigation water."

D-1 is "Planting grasses or legumes for winter cover."

D-2 is "Planting grasses or legumes for summer cover."

G-1 is "Establishing and managing cover for wildlife."

The VICE PRESIDENT. The time of the Senator from South Dakota has expired.

Mr. DIRKSEN. I yield 1 additional minute to the Senator from South Dakota.

Mr. CASE of South Dakota. Senators as you can see, they are all for conservation purposes. If the acres are not signed up, the money will not be spent. Why should we not let the program go forward at least at three-fourths the rate which was envisioned when the soil-conservation program was adopted? Why not approve the \$350 million as the bill is presented? The authorization originally was \$450 million.

Under the next paragraph which deals with the acreage reserve, the amount of program is limited to \$500 million. Thus, if the pending amendment should prevail, instead of the soil-bank program being permitted to carry on at the authorized rate of \$1,250 million, it will be funded at the rate of only \$750 million. That will be a reduction of \$500,000,000, for the operation of the soil bank under what was authorized when adopted by the Congress last year.

If the purposes of the conservation practices are not good, kill the program outright. But if the conservation practices are desirable, we should provide the funds. If the signup does not require this amount, the money will not be spent.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I shall vote against the pending amendment. I wish to point out that if there is provided only \$250 million to carry on the program, \$165 million of that will be necessary to carry out existing contracts, and there will remain only \$85 million for new contracts.

It is my belief that the soil-bank program should be given a fair trial. I am rather disappointed that the distinguished Senator from Georgia is seeking to reduce the appropriation relative to the conservation reserve acres portion of the soil bank. As the Senator from Florida pointed out, the authorization amounts to \$450 million per year for that part of the soil bank. Even if the Senate goes along with the recommendations of the Appropriations Committee, we shall be short \$100 million of the amount authorized in the law.

I wish to say I voted against the Mundt amendment when it was up for consideration, although I favored it. I made a strenuous effort before the committee, to defeat the committee amendment, to limit acreage payments, as the Senator from South Dakota knows. Having lost my fight before the committee, I resolved to follow the committee bill as reported. Such a course is in keeping with my

policy of standing with the committee on which I am privileged to serve. Only in a few instances have I violated that policy.

The VICE PRESIDENT. The time of the Senator from Louisiana has expired.

Mr. RUSSELL. Mr. President, I wish to make a few brief observations with respect to some of the arguments which have been made against my amendment. Some Senators have sought to make it a test of whether or not a Senator is in favor of conservation if he votes in favor of the amendment. I shall have to leave that to time.

The bill contains a program of conservation, under the agricultural conservation provision, of \$250 million, in addition to the \$250 million proposed by the amendment, which will provide, in the next year, a half billion dollars' worth of conservation activities in the United States, which will be just twice what we have had in any year for the past 8 or 10 years. So there is no dearth of funds for conservation. The soil conservation program is here; it is working; it is in operation.

I am somewhat amazed to hear the argument which is made here that, because the Soil Bank Act authorized \$450 million for a conservation reserve program, we could not increase that program next year and be consistent with the provisions of the act.

I am surprised to hear that argument come from Senators who say they are all for the soil bank program. They rise on the floor of the Senate and say, "We must have at least a \$350 million program next year, an increase of approximately \$175 million over what we have today." Yet nobody has proposed to touch the acreage reserve program, which has been cut back \$250 million from the amount authorized this year.

Talk about consistency. We are spending \$612 million this year on the acreage reserve program. There is a limitation here of a \$500 million program for next year. Nobody has talked about that. That is a cutback.

The amendment I have offered allows for a substantial increase in the conservation reserve program for the next year.

Then comes the attempt to make a test of supporting the soil bank, based upon whether or not the Senators vote down the amendment I have proposed. If a Senator is consistent in supporting the soil bank all he has to do is strike out all these limitations and restore a \$750 million program next year for the acreage reserve.

We hear about the \$350 million. Under the basic act the limitation on the acreage reserve program is \$750 million a year.

I wish to put all Senators on notice. If they desire to be consistent, there is a limitation in this bill of \$500 million on next year's acreage reserve program, and that is a cutback of \$112 million from what we are spending on it this year. So if Senators are consistently supporting the whole soil bank program, they have to authorize expenditures totaling \$1.2 billion next year for the conservation reserve and the acreage reserve programs.

Talk about consistency. Some say I am not consistent although I provided an increase for the conservation reserve. Senators stand calmly by and see a reduction made in the acreage reserve program, which was supposed to be the part of the program which would get us out of the surplus surfeit that has been harassing and bedeviling us for so many years.

I am as strongly committed to the cause of soil conservation as any Member of the Senate, but, Mr. President, that does not mean I am willing to throw away money—paying, for instance, \$1,000 for a fishpond, and then paying the farmer \$11 an acre for the land in the fishpond covered by the water. Senators can go ahead and adopt that kind of practice if they want to do it—and they apparently do. I am in favor of conservation, but I am not in favor of paying as high as \$88.50 an acre for the practice of planting trees, and then paying the man who owns the land and to whom we have given \$88.50 an acre for the practice, a rental of \$16.50 a year, for 10 years, while the trees he planted at Government expense are making him rich, and can be garnered after the program is ended.

Senators can call that conservation if they wish. I think some farmers will find it pretty good business, and it is practiced at the expense of the American taxpayer.

The amendment merely proposes to limit this program to \$250 million next year. That will provide an increase of about \$75 million. It would allow much more than that by way of increase, if the practice payments, were reduced, because the rental paid this year is only \$61 million.

We can make good every contract we have made.

I was surprised to hear the distinguished Senator from Vermont [Mr. AIKEN] say that we are breaking our commitment to the American farmers if we do not double the conservation reserve program, when he is breaking that commitment by supporting a \$500 million acreage reserve program, which is a cutback of \$112 million from what we are paying this year.

I am not under any illusion, Mr. President, as to what will happen to this amendment. I was not under any illusion when I offered it.

I have heard a great deal said here about economy. I want the RECORD to show that the dollars we speak of so glibly will have to be paid, under the very loose program which has been adopted by the Department of Agriculture, for a period of 10 years. When Senators vote for \$1 they are voting for \$10. I hope the American taxpayers know that. These bills have to be paid for the next 9 years.

Senators may call that partisanship, if they wish. I do not care what they call it. It is my philosophy that conservation is a good thing, but I do not believe in strewing money around needlessly.

We have a great conservation program. We have the ACP program, calling for \$250 million a year, in this bill. That is one conservation program which has not been touched or reduced by the soil-bank



program; indeed, the soil-bank program has been pyramided on top of it.

I want to relieve any Member of the Senate who would be willing to risk being called my friend of any obligation to vote for this amendment. The Senator from Florida [Mr. HOLLAND] referred to that suggestion in his remarks. Senators should vote their consciences as they see them, because I am not offering the amendment as chairman of the committee. I am not appealing to Senators for the sake of any friendship. I am offering the amendment because I feel it is my duty to try to hold this program in some kind of a check and not let it expand too much under the present loose administration, when I know that the payments under contracts entered into so gaily have to be paid year after year over the period of the next 10 years.

We are only planting the seed when we enlarge this program, but there will result flourishing trees which we will have to supply with water at the expense of the American taxpayer for the next 10 years.

Mr. CHAVEZ. Mr. President, will the Senator yield for a moment?

Mr. RUSSELL. I yield.

Mr. CHAVEZ. I had to go to New Mexico over the weekend, and I was told about what the Senator is now discussing, I believe. Mr. McDonald, a dairyman farmer living near Clovis, N. Mex., told me, personally, that owners of land which was not worth more than \$20 came under this program and were paid \$75. Thereafter, when the owners received the \$75 under the program, they would put the land up for sale, and go to work at the airbase.

Mr. RUSSELL. Mr. President, I do not doubt that this program has been abused. I have not had the staff or the facilities to run down all the rumors I have heard as to land which has been sold and title transferred, with no obligation on the buyer to pay for the land except through the soil-bank payments. I do not say that practice is widespread, but if such case happened in the name of conservation it is one case too many. This is a program we ought to believe in, certainly when we permit this much of an increase, when we know the payments have to be multiplied by 10 in the long run, we must add the expense of a billion dollars which would be involved if we increase this appropriation \$100 million. Mr. President, I reserve the remainder of my time.

Mr. KNOWLAND. Mr. President, how much time do I have left?

The VICE PRESIDENT. The Senator from California has 4 minutes.

Mr. KNOWLAND. I yield 3 minutes to the Senator from Illinois [Mr. Dirksen].

Mr. DIRKSEN. Mr. President, there is no element of consistency or inconsistency involved in this matter.

Mr. RUSSELL. I am glad the Senator makes that confession, because it has been argued here that I was not consistent.

Mr. DIRKSEN. I have never made that argument.

Mr. RUSSELL. I did not say the Senator had.

Mr. DIRKSEN. I simply submit to the Senate this program is exactly what the name implies; it is a conservation acreage-reserve program, and it is meant to conserve the acres of this Republic on a 3-year contract, or a 5-year contract, or a 10-year contract, or in some cases on a 15-year contract. We do not make a commitment entirely over a 10-year period.

This whole matter was promulgated in the first instance in the Committee on Agriculture and Forestry of the Senate. The distinguished chairman of that committee, the Senator from Louisiana [Mr. Ellender], stood today in the Senate and said he was opposed to the amendment offered by the Senator from Georgia. The distinguished Senator from Florida [Mr. HOLLAND], a member of the Committee on Agriculture and Forestry, and one thoroughly devoted to the cause of agriculture, stands in his place in the Senate and opposes the amendment offered by the Senator from Georgia. The distinguished Senator from Minnesota is a member of the Senate Committee on Agriculture and Forestry. He helped to fashion and shape the program. He stands in his place tonight and opposes the amendment of the Senator from Georgia.

Is it necessary to marshal any more testimony? Is it necessary to summon any more witnesses against the very thing which the distinguished chairman of the subcommittee proposes to do; namely, to cut this program by \$100 million? If we intend to cripple it, let us eliminate it altogether. But if we are to have a conservation program, if we are to have a program to which Member after Member in the Senate Appropriations Committee has addressed himself with vigor, let us support it. On the other hand, there was little enthusiasm for the acreage reserve program. It must be apparent to those who have followed the destinies of agriculture that this is the one thing upon which those leaders have set their hearts as the hope of the American farmer and the hope of the country in conserving the rich natural resources of our soil.

Mr. President, I do not think it is necessary to say anything further so far as those who brought this program before the Senate in the first instance last year are concerned. If we are to have a program, let us not stand it on one leg. Let us give it a fair chance, and vote the entire \$350 million. In doing so we shall still be \$100 million under the authorization brought in by the legislative Committee on Agriculture and Forestry.

I therefore trust that the amendment of my very distinguished friend from Georgia will be roundly rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL].

Mr. RUSSELL. Mr. President, have I any further time?

The VICE PRESIDENT. The Senator has 11 minutes remaining.

Mr. RUSSELL. I shall use about 2 minutes to inject a somewhat lighter note into this argument.

I must express to the Senator from Illinois my deep appreciation for the high compliment he has paid the distinguished Senator from Louisiana [Mr. ELLENDER] and the distinguished senior Senator from Minnesota [Mr. THYE]. I regret that the light did not strike him when the farm bill was before us last year. It has just now come to his attention that they are men who are worthy of being praised.

This issue is merely a matter of degree. The overall authorization in the bill of which the distinguished Senators to whom I have referred were architects is, over a 4-year period, \$450 million in any 1 year.

It is but natural that the fathers of the soil bank—godfathers as well as putative fathers—should look upon it with more favor than those of us who have the annual chore of appropriating funds for it. It is all a question of degree. The total authorization under the law, over a 4-year period, is \$450 million in any 1 year. The farmers signed contracts for about \$172 million for this year. So if they have \$350 million, they will have as much again next year. If they have \$250 million, they will not have quite as much as they have.

The question of the nurseries, raised by the Senator from Vermont [Mr. AIKEN], is not involved in the slightest degree in the amendment. The nurseries are in operation, and the money is in the bill for them.

No Senator likes to think that he is a slave to consistency. We know that consistency is the hobgoblin of small minds. Therefore, no Senator would admit that he had to be bothered with consistency. I express the hope that the Senator from Illinois will recognize the leadership of the Senator from Louisiana and the Senator from Minnesota when we bring a real soil-bank bill to the floor of the Senate.

Mr. DIRKSEN. If a real bill comes to the floor of the Senate, I shall be more than delighted to follow in the footsteps of those distinguished Senators.

Mr. RUSSELL. The Senator from Illinois did not share the views expressed by them.

Mr. DIRKSEN. Only because one item was not included in the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL].

Mr. RUSSELL. Mr. President, I am ready for a vote. I yield back any time remaining to me.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time and suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

Mr. KNOWLAND. Mr. President, I withdraw the suggestion of the absence of a quorum.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.



Mr. MANSFIELD. I announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Tennessee, [Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Arkansas [Mr. McCLELLAN] is absent on official business by leave of the Senate.

On this vote, the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from Rhode Island [Mr. GREEN]. If present and voting, the Senator from Illinois would vote "nay" and the Senator from Rhode Island would vote "yea."

I further announce, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from West Virginia [Mr. NEELY] would each vote "nay."

Mr. DIRKSEN. I announce the Senator from New Hampshire [Mr. CORTON], that the Senator from Nebraska [Mr. HRUSKA], the Senator from Nevada [Mr. MALONE], and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from North Dakota [Mr. LANGER] are absent because of illness.

The Senator from Connecticut [Mr. BUSH] and the Senator from Pennsylvania [Mr. MARTIN] are absent on official business.

The Senator from Maine [Mr. PAYNE] is necessarily absent.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Nebraska [Mr. HRUSKA], and the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Maine [Mr. PAYNE] would each vote "nay."

The result was announced—yeas 26, nays 52, as follows:

## YEAS—26

|           |                 |              |
|-----------|-----------------|--------------|
| Anderson  | Hayden          | Purtell      |
| Barrett   | Johnston, S. C. | Revercomb    |
| Bible     | Kennedy         | Robertson    |
| Byrd      | Kerr            | Russell      |
| Chavez    | Lausche         | Saltonstall  |
| Dworshak  | Mansfield       | Smith, Maine |
| Ervin     | Monroney        | Thurmond     |
| Frear     | O'Mahoney       | Williams     |
| Goldwater | Pastore         |              |

## NAYS—52

|               |               |              |
|---------------|---------------|--------------|
| Alken         | Gore          | Morton       |
| Allott        | Hennings      | Mundt        |
| Beall         | Hickenlooper  | Murray       |
| Bennett       | Hill          | Neuberger    |
| Bricker       | Holland       | Potter       |
| Butler        | Humphrey      | Schoeppel    |
| Capehart      | Ives          | Scott        |
| Carlson       | Jackson       | Smith, N. J. |
| Carroll       | Javits        | Sparkman     |
| Case, N. J.   | Jenner        | Stennis      |
| Case, S. Dak. | Johnson, Tex. | Symington    |
| Church        | Knowland      | Talmadge     |
| Cooper        | Kuchel        | Thye         |
| Curtis        | Long          | Watkins      |
| Dirksen       | Magnuson      | Wiley        |
| Eastland      | Martin, Iowa  | Yarborough   |
| Ellender      | McNamara      |              |
| Flanders      | Morse         |              |

## NOT VOTING—17

|           |             |           |
|-----------|-------------|-----------|
| Bridges   | Green       | McClellan |
| Bush      | Hruska      | Neely     |
| Clark     | Kefauver    | Payne     |
| Cotton    | Langer      | Smathers  |
| Douglas   | Malone      | Young     |
| Fulbright | Martin, Pa. |           |

So Mr. RUSSELL's amendment was rejected.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment which is offered on behalf of the Senator from Missouri [Mr. SYMINGTON], the Senator from Colorado [Mr. CARROLL], the Senator from Oregon [Mr. MORSE] and myself. I ask that the amendment be stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 4, line 17, it is proposed to strike out the figure "\$16,586,000," and insert in lieu thereof the figure "\$18,388,000."

Mr. HUMPHREY. Mr. President, the amendment deals with the section of the appropriation bill which refers to the Federal Meat Inspection Service. The committee provided for \$16,586,000. The administration budget request was for \$18,718,000. The amendment submitted by us provides for \$18,388,000, an increase of \$1,802,000.

The amount will take care of the additional inspectors who are recommended by the Department of Agriculture, plus the increase in funds which will be necessary to put into effect the reclassification program which has been ordered by the Civil Service Commission.

I would have the RECORD note that the Meat Inspection Service is obligated to put into effect a reclassification program during fiscal year 1958, at a cost of \$590,000. It is also obligated to supply uniforms to inspectors, at a cost of \$230,000. The amendment does not take into consideration the \$230,000 for uniforms. It was the feeling of the sponsors of the amendment that this amount could be absorbed in the appropriations which would be made available to the Service.

It should be crystal clear that if the \$590,000 is not supplied for the additional increment in salaries, due to reclassification, it will have to be supplied at a later date in a supplemental appropriation bill. If an amendment is offered to our amendment, or a substitute is offered to the amendment, as I have heard it indicated, the Senate will be required at a later date to pay the bill for the reclassification. It is merely a matter of whether we wish to do it now in the appropriation bill before us or whether we want the RECORD to indicate for the moment that we were a little economy minded, and then within a few months take care of it in a supplemental bill.

One other point I should like to make is this: During the past 9 months meat inspection had to be temporarily curtailed in the meat packing plants in 18 cities throughout the Nation, because replacements were not available when the regularly assigned inspectors were unable to work.

It should be further noted that the meat packing industry is being decentralized. There is a reason for that. Let me say to my friends in the areas where beef cattle have become an important part of the economy, that the packing houses have become decentralized so that they will be closer to the sources of supply of cattle, because it is cheaper to ship dressed beef than it is to ship cattle. The packers prefer to be closer to the source

of supply and also prefer to be closer to the market for the processed product. The facts I have indicate that during the past 5 years the number of meat packing plants covered by the Federal Meat Inspection Service has increased from approximately 900 to 1,300.

That is an increase of 407 plants. In servicing those plants, the inspectors have had to be assigned to 500 cities and towns in 1957, in contrast to 400 cities and towns in 1953.

The number of animals inspected has increased from 90 million in 1953 to 110 million in 1957.

The manning of the meat inspection organization has simply not kept pace with this increase, either in the number of packing plants, the number of locations or communities, or the numbers of cattle which had to be handled in the packing operations.

We all know that a meat inspector stands right along the production man in a packing plant. If there is not an adequate number of meat inspectors to handle the production, there is only one thing to do, and that is to cut down the production. When the production is cut down, it means a tightened supply. When there is a tightened supply, the price is raised. So when production is cut down, not only is there a tightened supply, but the price is raised, and the farmer is denied a readily available market for his livestock.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CASE of South Dakota. Is it not true that this is one amendment which will benefit both the consumer and the producer, in that it will protect the consumer and will aid the producer?

Mr. HUMPHREY. It is my feeling that it will surely do that. I cannot imagine that we would have less than adequate inspection of meat.

I am certain the argument also will be made that under the amount recommended, with payment by the packers of overtime, they can get adequate Federal inspection. But I would have the RECORD further show that when overtime is paid, that amount is included in the cost of the product which goes to the consumer.

Mr. CASE of South Dakota. Mr. President, would the Senator from Minnesota object to my asking unanimous consent to have telegrams I have received on this subject printed in the RECORD following his remarks?

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator from South Dakota may have the telegrams printed in the RECORD following the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MAGNUSON. Mr. President, I ask unanimous consent that I may have the same privilege of having a series of telegrams printed in the RECORD following the conclusion of the remarks of the Senator from Minnesota.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 2.)



Mr. HUMPHREY. Mr. President, I bring to the attention of the Senate the fact that the Civil Service Commission has spent almost 2 years working out schedules of compensation to become effective July 1, 1957. In other words, in about 15 or 16 days an entirely new compensation schedule will go into effect for veterinarians and others engaged in the Federal meat inspection service. Congress will have to provide the money. If it does not provide the money now, it will be necessary to provide it when Congress returns next January.

I feel that that states my case. I hope the Senate will agree to my amendment. Mr. CARROLL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARROLL. The correspondence I have received from Colorado corroborates everything the distinguished Senator from Minnesota has said on the floor. That is why I am so happy to join with him in offering the amendment. As the Senator from South Dakota has said, the amendment will benefit and protect both the consumer and the producer.

I congratulate the Senator from Minnesota on the clear and concise presentation of his statement.

Mr. McNAMARA. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McNAMARA. I wish to compliment the Senator from Minnesota for his excellent, concise statement. I join with him wholeheartedly in offering the amendment.

Mr. HUMPHREY. Mr. President, I have used as much time as I need. I yield the floor.

#### EXHIBIT 1

MITCHELL, S. DAK., June 3, 1957.

FRANCIS CASE,  
Senate Office Building,  
Washington, D. C.:

On June 5, Senate Subcommittee on Agricultural Appropriations will act on providing funds for Federal meat inspection during ensuing year. Theoretically inadequate appropriation will undoubtedly result in the ultimate reduction of Government inspection personnel, thus resulting in the curtailment of handling of livestock. We sincerely urge passage of proper appropriation for adequate meat inspection.

GEORGE A. HORMEL & Co.,  
DAVID W. COREY, General Manager.

SIoux FALLS, S. DAK.

Hon. FRANCIS CASE,  
Washington, D. C.:

Urgent please use influence provide additional funds over this year's budget for agriculture research service, United States Department of Agriculture and avoid serious interference with important inspection control and research activities and injury to livestock and meat industries and consumers.

J. B. Sigrist, Cathryn J. Cammack, Walter G. Wachob, Francis J. Barron, W. John Duhon, George Casady, Carl S. Nash, Philip A. Ray, B. A. Jacoby.

BELLE FOURCHE, S. DAK.  
Senator FRANCIS CASE,  
Washington, D. C.:

Please support agricultural appropriations bill retaining the \$2 million for utilization research.

WESTERN SOUTH DAKOTA SHEEP  
GROWERS ASSOCIATION,  
JOHN WIDDOSS, Secretary.

WATERTOWN, S. DAK., June 4, 1957.

Hon. FRANCIS CASE,  
Senate Office Building,  
Washington, D. C.

DEAR SENATOR CASE: I am writing this letter to urge you to support the President's budget proposal for the Meat Inspection Service, that is, a total appropriation of \$18,718,000 and especially the \$1,212,000 earmarked for the hiring of the new inspectors.

I have worked in the packing industry for over 20 years, and I fear very much the danger of relaxing to the very least on strict Government inspection. I sincerely urge you to back this program with all your power, for better health and sanitation in the packing plants of these United States.

Thanking you for your past support,  
I remain,

WILLIAM J. FOX.

WASHINGTON, D. C., June 11, 1957.

Hon. FRANCIS CASE,  
Senate Office Building,  
Washington, D. C.:

Please support amendment restoring Meat Inspection Service funds during Agriculture budget debate today-tomorrow. Additional inspectors desperately needed. Temporary curtailments in meat production because inspector shortage already occurred in 18 cities. Higher meat prices for consumers, unemployment among workers, lower cattle prices for farmers will result unless cuts restored.

AMALGAMATED MEAT CUTTERS AND  
BUTCHER WORKMEN, AFL-CIO,  
EARL W. JIMERSON, President,  
PATRICK E. GORMAN,  
Secretary-Treasurer.

WASHINGTON, D. C., June 11, 1957.

Hon. FRANCIS CASE,  
Senate Office Building,  
Washington, D. C.:

Unless amount requested by USDA for essential meat inspection services is restored by the Senate it will mean layoff of Federal meat inspectors and curtailment of production in packing industry to the detriment of both livestock producers and consumers. Urge you to support restoration of USDA budget request when meat appropriation comes before Senate for vote today or tomorrow.

AMERICAN MEAT INSTITUTE,  
ALED P. DAVIES.

#### EXHIBIT 2

June 6, 1957.

Senator WARREN G. MAGNUSON,  
United States Senate Building,  
Washington, D. C.:

Please support the President's budget proposals for the Meat Inspection Service that is a total appropriation of \$18,718,000 and especially the \$1,212,000 earmarked for the hiring of the new inspectors. We wish to point out the dangers to consumers, packinghouse workers and farmers if additional inspectors are not added to the Meat Inspection Service. Thank you for your full cooperation.

AMALGAMATED MEAT CUTTERS AND  
BUTCHER WORKMEN OF NORTH  
AMERICA,  
CHARLES J. MENTRIN,  
International Vice President.

SEATTLE, WASH., June 6, 1957.

Senator WARREN G. MAGNUSON,  
Senate Office Building,  
Washington, D. C.:

Please support the President's budget proposals for the Meat Inspection Service that is a total appropriation of \$18,718,000 and especially the \$1,212,000 earmarked for the hiring of the new inspectors. We wish to point out the dangers to consumers, packinghouse workers, and farmers if additional in-

spectors are not added to the Meat Inspection Service. Thank you for your full cooperation.  
WASHINGTON FEDERATION OF BUTCHERS,  
GEORGE COREY, President,  
CHARLES J. MENTRIN, Secretary.

OLYMPIA, WASH., June 10, 1957.

Hon. WARREN G. MAGNUSON,  
Senate Office Building,  
Washington, D. C.:

Request your support for additional funds for this year's budget for United States Department of Agriculture, Agriculture Research Service, to eliminate reduction which will seriously interfere with important inspection, control, and research activities and do serious injury to livestock and meat industries and consumers.

NATIONAL ASSOCIATION FEDERAL  
VETERINARIANS,  
IRWIN ERICKSON,  
Resident Secretary.

OLYMPIA, WASH., June 10, 1957.

Hon. WARREN G. MAGNUSON,  
Senate Office Building,  
Washington, D. C.:

Urge favorable consideration budget needs Agricultural Research Service for vitally needed research and disease eradication work. Such action necessary to economy agriculture interest and for protection consuming public. We are grateful for your past support and trust this matter will receive your full attention.

WASHINGTON STATE VETERINARY MEDICAL  
ASSOCIATION,  
WILLIAM F. HARRIS, Secretary.

WASHINGTON, D. C., June 11, 1957.

Hon. WARREN G. MAGNUSON,  
Senate Office Building,  
Washington, D. C.:

Please support amendment restoring meat inspection service funds during Agriculture budget debate today, tomorrow. Additional inspectors desperately needed. Temporary curtailments in meat production because inspector shortage already occurred in 18 cities. Higher meat prices for consumers, unemployment among workers, lower cattle prices for farmers will result unless cuts restored.

AMALGAMATED MEAT CUTTERS AND  
BUTCHER WORKMEN, AFL-CIO,  
EARL W. JIMERSON, President,  
PATRICK E. GORMAN, Secretary-Treasurer.

WASHINGTON, D. C., June 11, 1957.

Hon. WARREN G. MAGNUSON,  
Senate Office Building,  
Washington, D. C.:

Unless amount requested by USDA for essential meat inspection services is restored by the Senate it will mean layoff of Federal meat inspectors and curtailment of production in packing industry to the detriment of both livestock producers and consumers. Urge you to support restoration of USDA budget request when meat appropriation comes before Senate for vote today or tomorrow.

AMERICAN MEAT INSTITUTE,  
ALED P. DAVIES.

Mr. RUSSELL. Mr. President, I desire to say a few words in opposition to the amendment. However, in the atmosphere which prevails here, I have no strong feeling that I may be able to influence the Members of the Senate. But I ought, at least, to give the views of the committee as to why the amendment should not be approved.

This is not a new issue. Every year we have a fight over the meat inspection item. Historically, Congress has appropriated some money for meat inspection. If it was not enough to go



around, the packers are compelled to call in the inspectors and pay them for the overtime during which they inspect beyond time for which they were paid from appropriated funds. As a matter of fact, I have certain figures which were supplied to me by one of those urging the amendment. I may say the amendment has been well urged. All the packers have joined together this year, and that is quite a powerful force to strike at Congress, because mighty few States do not have a few packing plants within them. I know there are quite a few in my own State, I am glad to say. The packers have urged—they have always urged—that all of this cost be placed upon the taxpayers, instead of having the packers bear any of the cost. This year is as good a year as any to urge that philosophy, although I am very much opposed to it. I do not believe the proposed increase can be justified.

It is admitted by the proponents of the amendment that the cost of the overtime to be paid by the packers in 1957 will be less than it was in 1956. There will be no great increase. It simply comes down to a question of whether or not the taxpayers should bear the entire cost of the inspection, or whether we believe the packers should continue to pay the part they have paid historically.

I realize that a pay increase is involved in the appropriation. I do not approve of pay increases which are made in this fashion. I am somewhat old fashioned in my approach to this budget. In this case the Department of Agriculture asked the Civil Service Commission for the authority to reclassify meat inspectors. The Civil Service Commission granted the authority, and the Department of Agriculture reclassified the meat inspectors and resubmitted the reclassification to the Civil Service Commission. The Civil Service Commission approved it, and that may be binding on Congress. If it is, it ought not to be, because it is not a good system of appropriating money to give departments and the Civil Service Commission the right to raise the salaries of Federal employees, when Congress is thereby committed unalterably to paying them. For my part, I do not propose to be required to approve appropriations under any such practice as that.

Of course, Senators will vote as they see fit. Undoubtedly the proposal will appeal to many Senators. But I do not believe in being placed in a position, myself, in which I must vote for an increase whether I like it or not, due to administrative action in the executive branch of the Government.

There has been a slight increase in the number of packing plants due to the decentralization process. Contrarywise, this has somewhat reduced the size and capacity of each of those plants, so that there is not quite so much inspection now. The estimate I have for 1957 as to the approximate number of livestock to be slaughtered, which was furnished me by the Western States Meat Packers Association, Inc., which strongly supports the amendment, states that the estimated slaughter for 1957 is 104 mil-

lion and not 110 million or 111 million, as related by the Senator from Minnesota.

In my opinion, an increase of some 25 or 30 meat inspectors might be justified. I do not want to advise the Senate on this matter, but I could justify an increase of that number to take care of the decentralization of the meatpacking plants.

But so far as I am concerned, I intend to vote against any proposition by which I am tied, string haltered, and delivered, so that I cannot do other than to vote for salary increases which are instituted, as this one is, by the executive department.

I certainly do not think there is any commitment, as the Senator from Minnesota said there was, concerning the uniforms which were included in the budget this year. There has been meat inspection in the United States for about 40 years or longer. I have forgotten exactly when it was that Dr. Wiley's admonition was finally recognized.

The Government has never paid for the uniforms up to now. I have been unable to find any act of Congress which authorized the appropriation of the taxpayers' money to buy all these white uniforms. Supplying the uniforms has always been a part of the job.

When it came to the mail carriers, Congress said it was necessary to pass an act to authorize an appropriation to buy their uniforms. But in this case the Department has asked for an appropriation to buy the clothing which the inspectors wear, although they have been buying their own clothing for many years.

I have great sympathy with the inspectors and anyone else who is not drawing a salary which is regarded by them as adequate. I think it would be appropriate for the proper committees of Congress to consider proposing legislation dealing with increases in salaries. But so far as this amendment is concerned, I think it increases the figure in the House bill too much. I shall vote against the amendment.

I yield 5 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, when the House dealt with this item, they took the 1957 appropriation and added \$936,000 for the necessary retirement money. That was the way the bill came to the Senate. The restoration requested was \$2,132,000. It included \$220,000 for uniforms, the authority for which I think is doubtful; and I quite agree with the chairman of the committee on that point. It embraces also \$590,000 for pay increases which are expected to become due in July. I am not sure it is mandatory; but if it is mandatory, then of course the Department can easily get a supplemental estimate and can send it to the Bureau of the Budget, and it can be messaged to the Congress before the session ends.

The remainder of the amendment, \$112,000, was for 190 extra positions. I am inclined to agree with the chairman of the committee on that point, and I had hoped we could reach a compromise amount. At the pay levels of GS-4 and

GS-5, we could make provision for 45 additional inspectors at a cost of \$240,000. So I thought I would submit a substitute for the amendment offered by the Senator from Minnesota; and I should like to have the substitute reported, in the hope that the distinguished chairman of the committee will be able to accept the substitute, in order to meet the need for some additional inspectors.

Mr. HUMPHREY. Mr. President, before the substitute is offered, I should like to make 1 or 2 corrections, so there will be no misunderstanding of the figures I presented in connection with the amendment. I did not include the \$220,000 for uniforms.

Mr. DIRKSEN. That is correct.

Mr. HUMPHREY. I think there is doubt as to any obligation on the part of the Congress to provide uniforms. My amendment does not include them.

Mr. RUSSELL. I am glad the Senator from Minnesota clarified that point, for I thought he said something about an obligation to provide uniforms.

Mr. HUMPHREY. I said the Department stated there was such an obligation, but I do not believe there is such a legislative obligation.

The counsel for the Department feels that Congress is obligated to make \$590,000 of salary adjustments. Regardless of whether there is such a legal obligation, certainly veterinarians do have to work for the Federal Government at peasant salaries. Instead, they can work at a living wage for Parke-Davis & Co. or other private companies.

The truth is that veterinarians are in short supply; and if they are to work for the Federal Government, some salary adjustments must be made.

Mr. RUSSELL. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. RUSSELL. Whose time is being used at present?

Mr. HUMPHREY. My time; and I am glad to yield to the Senator from Georgia.

Mr. RUSSELL. Very well.

The Senator from Minnesota has referred to veterinarians, but these employees do not have to be graduate veterinarians.

Mr. HUMPHREY. No; not all of them.

Mr. RUSSELL. We have made several increases in the pay of the meat inspectors; that has been done during the last several years, and there has never been any deficiency in the number of meat inspectors, because of the salary paid.

Last year we provided for a fifty or sixty increase, and the jobs were snapped up at once. Higher salaries were not required, as in this case.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Illinois will state it.

Mr. DIRKSEN. Can the substitute be offered before the Senator from Minnesota has used or yielded back the remainder of his time?

The VICE PRESIDENT. Not under the unanimous-consent agreement.



Mr. RUSSELL. Mr. President, a point of order.

The VICE PRESIDENT. The Senator from Georgia will state it.

Mr. RUSSELL. Did the Chair rule that an amendment to the amendment of the Senator from Minnesota is not in order?

The VICE PRESIDENT. Under the unanimous-consent agreement, as such agreements have been construed, when the time is limited, such an amendment would have to be considered at the conclusion of action on the pending amendment.

Mr. RUSSELL. But after the time on the first amendment has been consumed, an amendment to it will be in order; is that correct?

The VICE PRESIDENT. Yes.

Mr. CASE of South Dakota. Mr. President, would an amendment in the nature of a perfecting amendment be in order?

Mr. HUMPHREY. Mr. President, as I understand, we can accomplish the purpose by a modification of the amendment; and the author of an amendment has the privilege of modifying it, as I understand.

The VICE PRESIDENT. That is correct.

Mr. HUMPHREY. Mr. President, I wish to say most respectfully to the chairman of the subcommittee and to the Senator from Illinois [Mr. DIRKSEN] that there may be an argument as to whether all 192 of these inspectors are required. The Department of Agriculture made the request. The Meat Inspection Service has had a very honorable and enviable record. I do not know of any time when anyone has been able to accuse it of padding the payroll. Furthermore, the Meat Inspection Service has a fine professional record, and it should be maintained.

The amount I have requested on behalf of my colleagues and myself is \$1,802,000, composed of \$1,212,000 for the inspectors, and \$590,000 for the increased salaries.

The Senator from Illinois is proposing an amendment of approximately \$240,000. It seems to me that we should face the obligation of paying the bill for the compensation of Federal employees. Therefore, if the Senator from Illinois has no objection, I shall modify my own amendment, so as to reduce the figure from the maximum amount of \$1,802,000, as an increase, to the amount of \$1 million, which would change the committee amendment to \$1,586,000. That will provide \$590,000 for pay increases, and will provide \$410,000 for additional inspectors.

I submit that the Department could make a legitimate request for 192 inspectors, and I submit it is not presumptuous to assume that it might well be in line to provide for 50 or 60 inspectors. I believe this is a fair compromise, and can be worked out with the House of Representatives, which voted a much smaller amount; but this compromise will provide some leeway, so as to enable Members of the Senate of competent and expert knowledge, who will be the con-

ferees on the part of the Senate, to work out the matter in conference.

Mr. DIRKSEN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. DIRKSEN. I wish to state that I feel obligated to go along with the chairman of the subcommittee on this item, because in the subcommittee and in the full committee we accepted it, and we so reported it to the Senate. Before I undertook to act on the matter, I discussed it this morning with the Senator from Georgia. When I first proposed an amendment of \$500,000, he said he would accept it and take it to conference. We then thought that \$240,000 was enough to add, and the Senator from Georgia agreed to accept that amount. I cannot go beyond that figure.

But the Senator from Minnesota now suggests that we add \$1 million. I must stay with the figure we discussed this morning; and on that basis I must necessarily support my distinguished friend, the Senator from Georgia.

Mr. HUMPHREY. What do we intend to do about the funds for the compensation of Federal employees? The Civil Service Commission really sets up the pay schedules; and unless we are prepared to overrule the Civil Service Commission by act of Congress, the bill will come due. I must confess that there have been times when I myself have been compelled to delay paying some of my bills, but one's bills generally catch up with him.

Mr. DIRKSEN. The advice I have received is that the order will not be released until July.

Mr. HUMPHREY. That is only about 16 days from now.

Mr. DIRKSEN. I refer to the order regarding pay increases, and in that connection there is actually no authority before us at the present time. But if the authority exists, it will be easy to send up a supplemental estimate for \$590,000, to cover the pay increases involved.

Mr. HUMPHREY. But when that comes to us, the Federal employees who are supposed to receive the pay increases will have already been on the job at the lower pay schedule. Instead, we should deal with Federal employees in the same way that the employees of private firms are dealt with. In other words, when they are told that they will receive a pay increase, the pay increase should be made.

Mr. DIRKSEN. A rather nice question is involved when the Department goes to the Civil Service Commission, and the Civil Service Commission allegedly issues an order to be effective in July of 1957. But that does not provide the authority, in my judgment at the moment, to embrace a \$590,000 pay increase.

Mr. RUSSELL. Mr. President, I wish to make only one or two observations.

Although the committee held rather exhaustive hearings, the committee was not told that this finding was as immutable as the law of the Medes and the Persians. A certain amount was asked for, just as additional inspectors were asked for. The committee was not told

it was absolutely essential. I do not say it is or it is not; I only say I oppose appropriating the money before the order has been actually issued.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ANDERSON. Have not the Senator from Georgia and other Senators many times agreed that if a certain raise in schedule came about and an emergency appropriation was necessary, they would grant it immediately? I can testify, from having been in the Department of Agriculture, that the Congress can act quickly. It so happens that the able Senator from Illinois was referring to a particular responsibility of the Department. I am attracted to what the Senator from Illinois has said, that if a request for the \$590,000 is made, the Senator from Georgia will act upon it.

Mr. RUSSELL. Mr. President, I do not want to be committing myself before the question is considered. I will deal with it fairly, but I do not want to be put in a false position.

Mr. ANDERSON. I said if a request is made, the Senator from Georgia will act promptly. He might turn it down.

Mr. RUSSELL. I certainly would give it every fair consideration.

Mr. ANDERSON. Mr. President, has the amendment been offered?

Mr. HUMPHREY. Mr. President, I have visited with the Senator from Illinois. We can expedite action. We need not quibble over how or when we are going to pay the extra sum for the revised compensation schedule. I think we shall all act in good faith when the request comes before us. In order to get on with the program and give the Department much needed extra inspectors and give the conferees an opportunity to use their good judgment on the final figure for the service if there is no objection, I further modify my amendment to the figure suggested by the Senator from Illinois. The distinguished chairman of the subcommittee has indicated his willingness to accept the proposal.

Mr. RUSSELL. Does the Senator from Minnesota modify his amendment accordingly?

Mr. HUMPHREY. I modify my amendment accordingly.

Mr. RUSSELL. If he does, I am willing to take the amendment to conference, and do the best I can.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. HUMPHREY], as modified.

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. LAUSCHE. Mr. President, I offer an amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment of the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 29, beginning with the word "Provided" in line 6, to strike out down through line 15, and insert in lieu thereof the following:



*Provided*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of \$2,500 with respect to the 1958 crops.

Mr. LAUSCHE. Mr. President, Members of the Senate, my amendment, if adopted, will restore the bill to the status it occupied when it left the House, as relates to the acreage reserve program.

I confess to my colleagues that I had some hesitancy about submitting this amendment. My conviction that it ought to be acted upon has grown primarily as a result of repeated statements made in the Senate this evening concerning the doubtful validity of that part of the soil program dealing with the acreage reserve.

The purpose of the program when originally adopted was to reduce production so as to diminish the surplus products of farmers. Admittedly, that objective has not been attained. The contrary is the fact. Surpluses have increased. I recognize that, for the purpose of enjoying political tranquility, it would be far better if I did not offer this amendment.

I should like further to state that in the casting of my vote on the amendment proposed by the Senator from South Dakota [Mr. MUNDT], I did not do so on a political basis. I further want to state that I did not change my vote on a political basis. If there is to be a tolling by the citizenry of the votes cast, it will not be said that I cast my vote on the basis of party dictation. It was cast because I believed in the soundness of the presentation made by the Senator from Georgia.

For 6 months I have listened to the arguments about what has happened with the soil-bank program, especially in relation to the acreage reserve. It has been uniformly stated that surpluses are increasing. Now, my query is, Why are we putting \$500 million into a program which we know does not achieve the objective which was contemplated when the program was originally adopted?

I have my own belief why we are appropriating the \$500 million. From my standpoint, I owe an obligation to practice the virtues that are being preached today, and that is to put the fiscal condition of the country on a sound basis. To achieve that end, we cannot be giving away money.

My proposition is simple. I propose to restore the bill to the status it occupied, with regard to the reserve acreage program, when it came to the Senate from the House. I propose to do that because I have learned, in my experience as a lawyer and as a judge, that when a reason is the predicate for the adoption of measures in law, and it is found that the reason no longer exists, the law fails.

I wonder if there is anyone within the Senate Chamber who can feel with conviction that the acreage reserve phase of the soil-bank program is diminishing the surplus products, as was contemplated when the bill was originally passed.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield to the Senator from Minnesota.

Mr. THYE. Whether I be rather bold in rising to the occasion, or to the remark of my distinguished friend, the Senator from Ohio, or not, I can say that the acreage reserve program was not put into operation until late in the calendar year 1956. It did cause quite a number of acres to lie idle.

Neither the Senator from Ohio nor I could, with any great degree of certainty, state the number of bushels of grain or the number of bales of fiber by which our overall crop was reduced, but we do know a sizable number of acres were withdrawn from production.

In the present year we know that a number of very fertile acres are under contract. In that category are some fertile acres in the western part of the great State of Ohio. That is one of the large producing areas, or, to state it another way, the yield per acre of corn and soybeans in the fertile field of Ohio is tremendous. Every acre that has gone into the acreage reserve program has been removed from the possibility of producing corn or soybeans as the case may be. Every acre under contract in the acreage reserve in Illinois, Iowa, Wisconsin, Missouri, and Nebraska will not produce corn or soybeans. Every acre taken out of production has reduced our surpluses by that much.

It is the surpluses that have brought about the ruinous, low prices for agricultural commodities. We are today spending more than a billion dollars under Public Law 480 to try to barter away our farm surpluses, because it is a known fact that such surpluses are weighing down the national market and have brought to the agricultural economy not a recession but an actual depression. A depression is now existing in the agricultural economy. In yearly income the agricultural economy has dropped from around \$16 billion to around \$11.6 billion. We do not wish to have any greater strain placed upon the farm economy than such a drop has entailed.

In only one way can we effect a reduction in the overall crops produced in America, and that is by a reduction of acreage. We cannot induce the farmers to let their acres lie idle unless we in some manner compensate them, because the farmers are paying, for good fertile land, from \$3 to \$4 an acre in taxes. The farmer has to pay insurance, and he has his investment in all the chattel properties on his land. He must maintain his fire insurance, and pay upkeep on the buildings. All of that is a plant cost. We cannot ask him to permit his acres to lie idle, unless we compensate him in some way.

There was wisdom behind the acreage reserve program and the plan to compensate the farmer for permitting his acres to lie idle. Once we get production down, the surpluses will diminish, and the farm prices in our very high national economy, with the full employment we are enjoying, will come up to a level of equality. That is what we are striving for.

If we place a \$2,500 limitation on the acreage-reserve program, many, many fertile acres will not go under contract in the State of Ohio, as well as in the States of Illinois, Nebraska, Iowa, or southern Minnesota, where there are so many productive corn and soybean acres. That is the situation we face.

If the Senator from Ohio wishes to take the responsibility of trying to represent agriculture and to provide the necessary appropriations to finance Public Law 480, and to provide a program for surplus milk and giveaway programs for various other commodities, he will, in the future years, have to be much more bold than most of us have been on the floor of the Senate. But if we proceed with the soil bank in a reasonable, intelligent manner, as provided in the bill as now written, and as amended this afternoon, I honestly believe that we will bring the agricultural economy into balance with the economy of the other segments of the Nation, which today is at the highest level recorded in history.

That is why I say I believe the amendment offered by the Senator from Ohio approaches the subject in the wrong way. In its wisdom the Committee on Appropriations put in a limitation of \$5,000 which anyone can draw on the acreage reserve phase of the soil-bank program.

I say to the Senator from Ohio, frankly, I know he is an exceedingly intelligent man, and he is a very courageous man.

Mr. LAUSCHE. I thank the Senator very much.

Mr. THYE. I believe the Senator is approaching this subject in the wrong way. The Senator proposes a limitation which would deny farmers a reasonable participation in the program. If we do not obtain a reasonable participation, we will not have a program, but we will have a lot of men in the field acting as if they are administering a program, when, in reality, they have nothing to administer except a lot of office space. They will do a lot of marking of time in attempting to carry out a partial acreage reserve program and to reduce the overall crop harvest which we might have if all the acres in a given county should be harvested.

So, I say to the Senator from Ohio, I believe the proposed amendment is the wrong approach. I believe the Senator will be doing a disservice to himself and to the farmers of the State of Ohio by endeavoring to have such an amendment adopted.

Mr. LAUSCHE. I appreciate very much the sincerity of the statement made by the Senator from Minnesota. I do not hesitate in stating to him that he has given expression to the most optimistic interpretation of the results of this law that I have heard here or anywhere else. I know that the practical results thus far obtained do not support the argument made by the Senator from Minnesota.

Mr. THYE. Mr. President, will my friend, the Senator from Ohio, yield again?

Mr. LAUSCHE. If the Senator will permit me, I will yield to him later.

Mr. THYE. The Senator is very kind.



Mr. LAUSCHE. Moreover, I should like to express definitely the judgment that from the standpoint of the farmers of Ohio, the fact is that the little 80-acre or 100-acre farmer has not been helped by this law.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. LAUSCHE. I will yield later.

I have been through the farm area of Ohio. Repeatedly the statement has been made "Our acreage is too small to be benefited by this law."

Mr. THYE. Mr. President, will the Senator yield at that point? As an attorney, I think he has answered his own argument.

Mr. LAUSCHE. Will the Senator permit me to continue my own argument? I may say that I do not take exception, but the Senator from Minnesota spoke longer on the subject than I did, yet I am the mover of the amendment. If the Senator will permit me, for the moment, I should like to conclude my statement.

In other words, the Senator tried to take the ball out of my hands. I hope he will indulge me while I try to recover it.

The VICE PRESIDENT. The Senator from Ohio declines to yield.

Mr. LAUSCHE. I desire to repeat that tonight, in this Chamber, there must have been at least 10 statements made by Senators who spoke on the former amendment that the law was not achieving its objective. It is on that basis that I offer this amendment. In my judgment it is a giveaway program. In my judgment the purpose is to offer balm, and I do not contemplate doing so. It is on that basis that I submit the amendment.

I now yield to the Senator from Minnesota.

Mr. THYE. Mr. President, the distinguished Senator from Ohio was most considerate and very, very tolerant, I will say, because I did speak at some length, and it was actually by way of rebuttal to the argument advanced by the distinguished Senator. However, the Senator from Ohio threw out a challenge; and whether I was bold or otherwise, I accepted the challenge.

The Senator from Ohio actually answered his own argument, because the Senator from Ohio said that the small farmer was not being benefited. Mr. President, we do not want to reduce the number of acres of the small farmer's operation, because a man on an 80-acre farm or a 160-acre farm is in need of the 80 acres or the 160 acres of land in his operation in this modern age. He has his tractor and other equipment. Whether he operates the farm as a 1-man operation, or with a man and a boy as an operator, he requires that land.

What we are endeavoring to do is to reduce the acreage which is productive; and the reserve phase of the soil bank is the program which will reduce the number of acres. If we can take 50 acres from a 500-acre farm and place them in the reserve program, we are reducing the potential for developing or producing a surplus. If we can get the surplus down, we need not worry about the man on the 80-acre farm, because if there

were not a surplus overhanging the national markets today, with the high consumer buying power, with the national economy at an all-time high, we would have a market which would pay more than 100 percent of parity. If we did not have surpluses overhanging the market, wheat would be selling at full parity; corn would be selling at full parity; beef would be selling at full parity, and so would eggs.

That is the question. If we can get the surplus down, we need not worry about the good farmers on the 80-acre or 160-acre farms in Ohio. The market place will give them full parity on any commodity they grow. That is the purpose of the soil bank.

If we establish a ceiling of \$2,500 in the bill on the acreage-reserve program, we foreclose the opportunity to bring some of the productive land on the large farms under contract, thus reducing the potential production in harvest of a given year.

Therein lies the basic foundation of the entire soil-bank program. We are trying to get acres out of production, whether they be used in the production of cotton, soybeans, sorghum grains, or other crops. Under the old acreage-control program, when we allotted a farmer a certain number of acres of wheat, a certain number of acres of corn, or a certain number of acres of cotton, we had no soil bank. All the farmer did was to comply with his wheat-acreage allotment or his corn-acreage allotment. What did he do with the diverted acres? In the Southwest they were planted to sorghum grains. They were producing feed crops in competition with corn. In the Northwest, in Washington, Idaho, and Montana, they were planted to barley, another feed crop competitive with corn.

In the South the cotton acreage was reduced, but the acres were planted to soybeans or to corn, as was the case in Missouri. Such crops were competitive with the feed grains of the North.

When the time for harvest came, there were harvested as many bushels of feed grains as were ever harvested before. The former wheat acreage was converted into feed grains, and the cotton acreage into feed grains.

We then conceived the idea of the soil bank, and we enacted it. We wrote a conservation feature into the soil bank, to encourage taking acres out of production and putting them under a long-term contract, or planting them to trees if the land was not suited for the production of corn, wheat, or cotton.

All this was designed to reduce the overall surplus; but before we had an opportunity to have 1 year's history or 1 year's trial we commenced to chop down the program. It was as though we had planted a seedling 1 day, but before the seedling took root we chopped it down. That is what the Senator from Ohio is trying to do by his amendment. He would not permit the conservation or the acreage reserve aspect of the program to operate. He would cripple the program before it had an opportunity to prove its ability to reduce the overall crop.

The pending amendment would defeat the very purpose we wrote into the law, and the very purpose the distinguished Senator from Ohio is endeavoring to accomplish, namely, to help the small farmer.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. LAUSCHE].

Mr. LAUSCHE. Mr. President, I ask for the yeas and nays on my amendment.

Mr. RUSSELL. Mr. President, I hope we may have the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, I wish to make a brief observation. I am sure Senators clearly understand that the effect of the amendment proposed by the distinguished Senator from Ohio would be to place the bill in exactly the same position it was in when it came to us from the House.

In the House of Representatives the House voted to appropriate funds to discharge all contracts which had been entered into with respect to the calendar year 1957. These programs operate on a calendar-year basis.

The House action prohibited any acreage reserve soil bank program in 1958. That is the issue presented to us in the amendment offered by the distinguished Senator from Ohio. If the amendment prevails, there will be no acreage reserve program in 1958.

Of course, no one can say with certainty whether the soil bank acreage reserve program will bring about the reduction in production which it was designed to accomplish. We do know that the program was applied to corn last year, and it did not prove very effective in reducing the production of corn. We had a bumper corn crop.

It is undoubtedly true that in many instances the farmer will put a part of his acreage in the acreage reserve program, and then, with the payments which he receives, he will fertilize more heavily, cultivate more intensively, and produce more on fewer acres than he had theretofore produced on his entire acreage.

If I were to cast my vote on this amendment guided solely by the standard which the bill sets up, as to whether or not it would reduce or control production, I would support the amendment offered by the Senator from Ohio. However, I shall vote against the amendment for a different reason.

We have in this country no active farm program to help the farmer except the acreage reserve program. Whether it is effective or ineffective, it does get some money into the hands of the farmer.

Our people are enjoying the greatest national income our country has ever known. Every segment of American life save and except the farmer enjoys today a greater income, whether on an individual basis, or an average, across-the-board basis, than it has ever enjoyed before.

In other words, all our people except the farmer are eating at the table of Dives, the rich man. That is a very rich



diet. Our people are living upon a high standard, with a high income.

The poor old farmer occupies the position of Lazarus. He is sitting down near the table, his body covered with sores. He is beaten down, squeezed almost to death in a cost squeeze, with the price of what he sells going down and the cost of what he must buy going up. He is covered with sores, crippled, ill, and battle worn. He is sitting there waiting for this little crumb.

I do not think this is a very good law. It has many defects; but I cannot vote to deny poor Lazarus, the farmer, the little crumb he gets from the soil bank program. For that reason I shall vote against the amendment offered by the distinguished Senator from Ohio.

Mr. President, I yield back the remainder of my time.

Mr. NEUBERGER. Mr. President, will the Senator from Ohio yield, that I may ask him a question on his amendment?

Mr. LAUSCHE. I yield.

Mr. NEUBERGER. As I understand, the amendment offered by the Senator from Ohio is in two parts. It has not been printed, so we have had to rely on its being read by the clerk. Am I correct in presuming that these are the two parts of the amendment offered by the Senator from Ohio: One part forbids the Government from entering into acreage reserve contracts for any crops that are grown during 1958; is that correct?

Mr. LAUSCHE. That is correct.

Mr. NEUBERGER. The second part of the amendment places a \$2,500 ceiling on any payments which can be made to any one farm unit under this program. Is that correct?

Mr. LAUSCHE. The Senator is correct. The language is a restoration of the language contained in the House provision, and the \$2,500 would be limited to the payment of those obligations in 1958 that were incurred in 1957.

Mr. NEUBERGER. I understand that is approximately the language of the bill as it came from the House.

Mr. LAUSCHE. It is the exact language.

Mr. NEUBERGER. I personally believe that there is a great deal of merit in the \$2,500 limitation on what can be paid to any one farm unit. My principal criticism of the operation of the program, certainly in the Pacific Northwest, has been that it has proved of some advantage to the great ranching operations, but, with very few exceptions, has been of no advantage to the small-size farms.

The one objection I have to the amendment is that it completely eliminates the program after 1958. I have not fully decided how I shall vote on the amendment, but I wish to say for the RECORD that there is a great deal of merit and a great deal of commonsense and a great deal of wisdom in applying a \$2,500 ceiling to any payments which can be made to any one farm operation.

Mr. LAUSCHE. I may say that those who feel that there should be a program will have an opportunity to develop it. If the program for 1958 is repealed, it will put pressure upon us to evolve a

program that will achieve the results described by the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. MORTON in the chair). The time of the Senator from Ohio has expired. All time for debate has expired.

Mr. DIRKSEN. Mr. President, it is very difficult to hear from this side of the Chamber, but the Senate should be advised that the impact of the amendment is to kill the acreage-reserve program for the crop year 1958. In addition to that it would put a \$2,500 limitation on payments to the producers. In other words, there will be no acreage-reserve program in the crop year 1958 under the amendment.

Mr. HUMPHREY. Mr. President—  
The PRESIDING OFFICER. All time for debate has expired.

Mr. HUMPHREY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Is it within the rules of the Senate for an appropriation bill to contain a proviso to the effect that before programing the 1958 agricultural program with respect to the soil bank, the appropriate committees of the Senate and the House shall undertake a complete investigation of the soil bank and its operation?

The PRESIDING OFFICER. The Chair rules that that is not a parliamentary inquiry.

Mr. HUMPHREY. What is it?

SEVERAL SENATORS. Vote! Vote!

Mr. HUMPHREY. I suggest that that be done.

The PRESIDING OFFICER. All time for debate has expired.

The yeas and nays have been ordered. The question is on agreeing to the agreement of the Senator from Ohio.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

|               |                 |              |
|---------------|-----------------|--------------|
| Alken         | Gore            | Morton       |
| Allott        | Green           | Mundt        |
| Anderson      | Hayden          | Murray       |
| Barrett       | Hennings        | Neuberger    |
| Beall         | Hickenlooper    | O'Mahoney    |
| Bennett       | Hill            | Pastore      |
| Bible         | Holland         | Potter       |
| Butler        | Humphrey        | Purtell      |
| Byrd          | Ives            | Revercomb    |
| Capehart      | Jackson         | Robertson    |
| Carlson       | Javits          | Russell      |
| Carroll       | Jenner          | Saltonstall  |
| Case, N. J.   | Johnson, Tex.   | Schoeppel    |
| Case, S. Dak. | Johnston, S. C. | Scott        |
| Chavez        | Kennedy         | Smith, Maine |
| Church        | Kerr            | Smith, N. J. |
| Cooper        | Knowland        | Sparkman     |
| Curtis        | Kuchel          | Stennis      |
| Dirksen       | Lausche         | Stymington   |
| Dworshak      | Long            | Talmadge     |
| Eastland      | Magnuson        | Thurmond     |
| Ellender      | Mansfield       | Thye         |
| Ervin         | Martin, Iowa    | Watkins      |
| Flanders      | McNamara        | Wiley        |
| Frear         | Monroney        | Williams     |
| Goldwater     | Morse           | Yarborough   |

The PRESIDING OFFICER. A quorum is present.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement of my

reasons for supporting the amendment offered by the Senator from Ohio [Mr. LAUSCHE].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ACREAGE RESERVE PROGRAM  
(Statement by Senator BYRD)

I hope the Senate will reject the committee amendment relative to the soil bank acreage reserve program, and restore language adopted by the House of Representatives.

The Senate Committee amendment provides that up to \$500 million can be paid to producers with respect to 1958 crops, under this program, and allows any one producer to receive up to \$5,000.

The language in the bill as it was passed by the House provides no funds appropriated in this bill "shall be used to formulate and administer the acreage reserve program with respect to the 1958 crops, or in total compensation being paid to any producer in excess of \$2,500 with respect to 1958 crops."

The proposition is a simple one.

The Senate committee amendment would continue the acreage reserve program of the soil bank uninterrupted at the rate of a half-billion dollars next year and allow \$5,000 for each recipient. This is twice the \$2,500 allowed under the soil-conservation program.

The House language would stop the program even with contracts already entered into, insofar as the new money is concerned, and limit individual payments to an amount not exceeding those paid under the soil-conservation program.

To reject the Senate amendment would provide no new money for new soil bank acreage program contracts. That is what I hope the Senate will do.

This multi-billion-dollar soil bank program is in two principal parts: (1) the acreage reserve program, and (2) the conservation reserve program.

Under the acreage reserve program, the Secretary of Agriculture determines what is to be paid producers for reducing acreage in basic commodities. The rates vary between commodities.

Under the conservation reserve program, the Secretary agrees to share the cost of establishing conservation practices on land placed in conservation reserve and pay the producer an annual rental on the land.

Rejecting the Senate committee amendment would not affect the conservation reserve program. It would not affect contracts in force on the acreage reserve program. It would preclude new contracts with new money under the acreage reserve program.

Frankly, the more I see of this soil bank operation, the more I am convinced the conservation program is being exploited as badly as the acreage reserve program is being abused; that both programs are helping a minimum of farmers who need assistance; and that the whole program has failed by far to justify the cost to taxpayers.

Unfortunately the conservation reserve program is tied to long contracts, and it is impractical to knock out appropriations for it at this time.

But the acreage reserve program works on annual contracts with each crop year. For this reason this part of the program can be stopped so far as new contracts with new money are concerned.

That is what I hope the Senate will do.

The President himself has pointed up the disappointment in the program in the most tangible way possible. He reduced his request for appropriations. In his January budget document he requested a total of \$1,254,000,000. In April the request was revised down to \$1 billion.

The acreage-reserve program started out with a January budget request of more than



\$750 million. It was later revised down to about \$700 million. The House Appropriations Committee reduced it still further to \$600 million. And the House itself provided that none of this should be obligated against 1958 crop contracts.

A good word for this program is hard to find.

The only justification for the so-called soil bank was to reduce production by limiting acres planted to a crop.

The Secretary of Agriculture admits it will not work, and he has pointed out that production limitations based on acres do not result in lower production of crops.

It is a documented fact that this program is a national scandal. There is a printed report by the surveys and investigations staff to the House Appropriations Committee containing 100 printed pages on the subject. It is devastating, with case after case of extravagance, abuse, and inequity. It cannot be denied that the program has operated with great injustice to the farmers who need assistance, as a windfall to persons not entitled to it, and as a useless drain on taxpayers.

Not only have the President and the Secretary of Agriculture demonstrated their disappointment in the soil bank, but Chairman COOLEY, of the House Agriculture Committee has described it as follows:

"We have had evidence of many abuses of the program. It has not only resulted in plowing under farmers, but farm communities and the people in those communities. We had evidence to the effect that it is a very wasteful program, that it actually costs more than twice as much to put a bale of cotton into the soil bank as it does to put it into foreign markets on a subsidized program."

Following Mr. COOLEY in the House debate on this provision, Congressman JAMIE WHITTEN, chairman of the House Appropriations Subcommittee on Agriculture said:

"\* \* \* here is what is involved: this is a payment to farmers to leave land out of cultivation. \* \* \* The chief tragedy of this approach is that the farmer loses his production on his acres; but to the public it looks like he is getting something for nothing. If this program is continued, the farmer will lose much more in public good will which will be reflected in votes of Members of Congress against sound farm legislation."

Virginia is one of the majority of States suffering discrimination under this program but, about the time this bill was to come before the House, a member of the Virginia delegation was met by a constituent who said cut the budget, but save that soil bank. He gave this as a reason not to cut the soil bank: "I had a little patch that I could put wheat in, and I put it in the soil bank. The Government paid me more money for it than if I had planted the wheat, done the work, and sold the wheat."

So on the record to date we have the disappointment of the President and the Secretary of Agriculture in this program, and we have the criticism of both the chairman of the Agriculture Committee and the Agriculture Appropriations Subcommittee in the House of Representatives.

Here is what the House report on this bill says: "The soil bank was offered last year as another answer to the farm problem. It is based on the philosophy that the way to help American agriculture is to reduce American production.

"It was offered as a temporary stop-gap measure, in view of the fact that the present program of reduced-price supports, acreage reductions, increased research and education, and other measures advanced by the Secretary had failed and the farmers' plight had gotten worse and worse. In fact, a careful reading of the law clearly shows

that one of the principal purposes of the program was to get some money into the farmers' hands last fall.

"While there may be some value to the conservation reserve portion of the program, findings developed by a special investigation conducted by the committee, and information received from various sources throughout the country, raise serious questions concerning the acreage-reserve program. Despite the signup of some 12 million acres at an estimated cost of \$260 million under the 1956 acreage reserve program, production for most crops was higher in 1956 than in previous years.

"Most farmers who placed a portion of their land in the acreage reserve stepped up production on the balance of their land. Further, much of the land placed in the acreage reserve was drought land which would not have produced a good crop in any event.

"Officials of the Department feel that the 1957 acreage reserve program will show better results. However, only 75 percent of the participation expected has materialized to date, and if conditions improve in the drought areas participation will be even less than now indicated."

The House committee continued by asserting that if the program were pushed, it would have a damaging effect on local business, and it referenced its investigations by saying:

"Instances are cited and others have later appeared where the amount of rental paid to remove land from production exceeds the total value of the land. Instances are also reported where land removed from production from one crop, for which Federal payment is made (a so-called basic commodity), has been put into other crops, thereby creating double income on such land. Numerous instances also have been reported where nonfarm people have invested in land, with the expectation that acreage reserve payments from the Government will more than repay their full investment in a few years. Also some cases have been cited where individuals have leased land from the Federal Government and have placed it in the acreage reserve program at rates higher than those paid under the Federal lease."

The report might have gone on to show that while the soil bank has failed to produce any constructive results in its application to the so-called basic crops, it is increasing surpluses and problems in other agriculture areas.

Barley plantings, for example, are substantially up in the spring of 1957.

The poultry industry has had its difficulties, and now soil-bank depositors are taking fliers in poultry, to cite another example of the grief this program is causing.

The Senate committee in its report does not attempt to defend the program. In fact, it says: "There is some doubt that the acreage reserve program will achieve its objective of reducing surpluses. \* \* \* The committee recommendation will provide authority to plan a 1958 program but unless the 1957 program proves to be more successful than anticipated it is doubtful that the authorization will be given for a 1959 program."

With such a lack of enthusiasm for the program—with such a negative approach—as the committee demonstrates, I suspect that it would not object too strenuously if the Senate rejected its amendment.

Let's look at this program another way for just a moment. Using relatively recent, but incomplete, reports of acreage and conservation reserve soil bank signups for this crop year, it will be found that 1 State with population of 2,060,000 stood to receive \$86,800,000. This was more than the payments accruing to 25 other States combined, with a total population in excess of 70 million.

One-third of the States were listed to receive 75 percent of the money.

Looking at the conservation reserve alone, an April report by the Department of Agriculture showed that 1 State with a population of 7,700,000 was signed up to get \$27,277,000. This was more than the combined amounts going to 37 other States with a total population of 121 million.

But more important than this kind of consideration is the fact that we are dealing here with a program which admittedly is a failure. We are proposing to finance it further in this bill. The only excuse given for the Senate amendment is the contention that if this program is not continued, there is not another program ready to take its place.

I earnestly submit to the Senate the proposition that:

I believe the patriotic farmers of this country would prefer to reduce the Federal budget by a half-billion dollars under current conditions, than to waste it on a bad agriculture program.

I sincerely hope the Senate committee amendment will be rejected. When a better agriculture program is presented we will consider it, and if it has merit we will appropriate for it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. LAUSCHE]. On this question the yeas and nays having been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Arkansas [Mr. McCLELLAN] is absent by leave of the Senate on official business.

I further announce, if present and voting, the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. SMATHERS] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. CORTON], the Senator from Nebraska [Mr. HRUSKA], the Senator from Nevada [Mr. MALONE], and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from North Dakota [Mr. LANGER] are absent because of illness.

The Senator from Connecticut [Mr. BUSH] and the Senator from Pennsylvania [Mr. MARTIN] are absent on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Nebraska [Mr. HRUSKA], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Maine [Mr. PAYNE] would each vote "nay."

The Senator from Maine [Mr. PAYNE] is necessarily absent.



The result was announced—yeas 7, nays 71, as follows:

## YEAS—7

|           |           |          |
|-----------|-----------|----------|
| Byrd      | Lausche   | Williams |
| Frear     | Neuberger |          |
| Goldwater | Robertson |          |

## NAYS—71

|               |                 |              |
|---------------|-----------------|--------------|
| Aiken         | Green           | Morton       |
| Allott        | Hayden          | Mundt        |
| Anderson      | Hennings        | Murray       |
| Barrett       | Hickenlooper    | O'Mahoney    |
| Beall         | Hill            | Pastore      |
| Bennett       | Holland         | Potter       |
| Bible         | Humphrey        | Purtell      |
| Butler        | Ives            | Revercomb    |
| Capehart      | Jackson         | Russell      |
| Carlson       | Javits          | Saltonstall  |
| Carroll       | Jenner          | Schoeppel    |
| Case, N. J.   | Johnson, Tex.   | Scott        |
| Case, S. Dak. | Johnston, S. C. | Smith, Maine |
| Chavez        | Kennedy         | Smith, N. J. |
| Church        | Kerr            | Sparkman     |
| Cooper        | Knowland        | Stennis      |
| Curtis        | Kuchel          | Symington    |
| Dirksen       | Long            | Talmadge     |
| Dworschak     | Magnuson        | Thurmond     |
| Eastland      | Mansfield       | Thye         |
| Ellender      | Martin, Iowa    | Watkins      |
| Ervia         | McNamara        | Wiley        |
| Flanders      | Monroney        | Yarborough   |
| Gore          | Morse           |              |

## NOT VOTING—17

|         |             |           |
|---------|-------------|-----------|
| Bricker | Fulbright   | McClellan |
| Bridges | Hruska      | Neely     |
| Bush    | Kefauver    | Payne     |
| Clark   | Langer      | Smathers  |
| Cotton  | Malone      | Young     |
| Douglas | Martin, Pa. |           |

So Mr. LAUSCHE's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, I desire to place two matters in the RECORD before the vote is taken on the passage of the bill. Earlier today I participated in a very helpful colloquy, for legislative history purposes, with the Senator from Georgia [Mr. RUSSELL], in regard to the cut by the House of \$4,500,000 for payments to State experiment stations.

The PRESIDING OFFICER. The Chair wishes to state that time has been allotted for debate on the bill.

Mr. JOHNSON of Texas. How much time does the Senator from Oregon desire?

Mr. MORSE. Three or four minutes.

Mr. JOHNSON of Texas. I yield 4 minutes to the Senator from Oregon.

Mr. MORSE. Mr. President, I had a colloquy with the Senator from Georgia concerning the \$4,500,000 cut on the House side for payments to State experiment stations. The Senator from Georgia pointed out that the Senate bill restores \$1 million of that cut. He frankly stated to me on the floor of the Senate that he considered that to be the maximum amount which we could vote in the Senate and have any hope of holding in conference, so I yielded to his judgment, because I know that the Senator from

Georgia, as chairman of the subcommittee, has no peer in the Senate when it comes to giving us advice in regard to what is likely to happen in conference.

However, as I said earlier, I have many representations from the Forestry Service in the State of Oregon, the Oregon State College, the Klamath County Court, and many other organizations in Oregon, asking for the restoration of the \$4,500,000.

In view of the earlier discussion, I think it is only fair to them that I place their statements in the RECORD, so that they can appear with the explanation which has been made concerning the cut.

Mr. President, I ask unanimous consent that the telegrams and letters be printed at this point in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

CORVALLIS, OREG., May 21, 1957.

Senator WAYNE MORSE,  
Senate Office Building,

Washington, D. C.:

Urge restoration House cuts agricultural research budget. Oregon needs research.

W. F. McCULLOCK,

School of Forestry, Oregon State College.

KLAMATH FALLS, OREG., June 7, 1957.

Hon. WAYNE MORSE,  
United States Senator,  
Senate Office Building,

Washington, D. C.:

Request that you do everything possible to restore to the budget the recommended funds for support for agricultural research work at the land-grant colleges. This is necessary to forestall a curtailment of agricultural experimental work which is of great value to our agricultural development.

Respectfully yours,

KLAMATH COUNTY COURT.

C. MACK, County Judge.

E. W. GOWEN, Commissioner.

JERRY ROAJNUS, Commissioner.

NYSEA, OREG., June 10, 1957.

Senator WAYNE MORSE,  
Senate Office Building,  
Washington, D. C.:

We strongly urge restoration of 4 million for agricultural research. Our agricultural economy is more dependent now than ever before on research.

PAUL HOUSE,

President, Oregon Reclamation Congress.

GRESHAM, OREG., June 10, 1957.

Hon. WAYNE MORSE,  
Senate Office Building,  
Washington, D. C.:

We urge your assistance in reinstating at least 4½ million in agricultural research grants to States. Oregon's \$80,000 share vitally needed for research on Oregon's agricultural crops. Curtailment of productive expenditure is false economy in both business and Government.

GRESHAM BERRY GROWERS,  
LEON V. HUBBARD.

KLAMATH FALLS, OREG., June 10, 1957.

Senator WAYNE MORSE,  
Senate Office Building,  
Washington, D. C.:

Urgently request restoration of \$4½ million in current budget for agricultural research vitally important to the future welfare of our farmers.

FRANK G. HOWARD,

President, Klamath Basin Water Users Protective Association.

Hon. WAYNE MORSE,  
Senate Office Building,  
Washington, D. C.:

Understand agricultural research fund is being left out of agriculture budget. Oregon's share, \$40,000; \$4,000 specifically earmarked research on potato diseases. We must have this fund, as new potato diseases that are of serious nature, although they are still unnamed, could affect the yield and quality, thereby greatly affecting potato farmers' income. State legislation has no way to supplement this fund this session. Please study this thoroughly and see that Oregon gets the \$40,000 agricultural research money. This is urgent to our farm economy. Made phone calls for directions. This matter has specifically been requested by the commissioners.

OREGON POTATO COMMISSION,  
BEN DAVIDSON, Administrator.

CORVALLIS, OREG., May 21, 1957.

KENNETH FRIDLEY,  
Washington, D. C.:

Recent House action eliminated proposed increases in grants to States for research under Hatch Act. Budget office recommendations included \$4½ million, from which Oregon station would receive \$43,406 of regular Hatch fund and about \$30,000 of regional research fund for research on development of hardy winter barley varieties, control of perennial weed, range management, efficient use of water, soil fertility, soil classification, control of plant diseases, livestock production, and utilization of agricultural products. Senate will act on this legislation soon. I presume you will want to explain to Oregon Senators the importance of these funds to Oregon agriculture. Dr. E. C. Elting, of the State experiment station division of ARS can supply you with additional details.

R. W. HENDERSON,  
Assistant Director, Oregon Agricultural Experiment Station.

SALEM, OREG., May 21, 1957.

Hon. WAYNE MORSE,  
Senate Office Building,  
Washington, D. C.

Understand agricultural research fund is being left out of agriculture budget. Oregon's share \$40,000. \$4,000 specifically earmarked research on potato diseases. We must have this fund as new potato diseases that are of serious nature although they are still unnamed could affect the yield and quality thereby greatly affecting potato farmers income. State legislation has no way to supplement this fund this session. Please study this thoroughly and see that Oregon gets the \$40,000 agricultural research money. This is urgent to our farm economy. Made phone calls for directions. This matter has specifically been requested by the commissioners.

OREGON POTATO COMMISSION,  
BEN DAVIDSON, Administrator.

WASHINGTON, May 23, 1957.

MARVIN VAN CLEAVE,  
President, Oregon Strawberry Council,  
Salem, Oreg.:

Retel May 22. Share your concern over House cut in budget for agriculture appropriation item designated payments to States—State experiment stations. Have addressed joint letter to Senator RUSSELL, subcommittee chairman, urging restoration of full \$4½ million cut. We recognize importance of agriculture research funds and regard cut as false economy. Will do everything possible assist. Please convey this message to all growers at your statewide meeting. Regards.

WAYNE L. MORSE,  
United States Senator.  
RICHARD L. NEUBERGER,  
United States Senator.



SALEM, OREG., May 23, 1957.  
Senator WAYNE MORSE,  
Senate Office Building,  
Washington, D. C.:

Recent House action eliminated proposed increases to States in grants for research. Am informed this would cause a \$73,000 cut in budget for Oregon experiment station and would eliminate vital work on strawberry projects. Increasing research investment is essential to Oregons 3,000 growers and \$10 million grower income. Oregon growers are trying to raise \$20,000 a year to supplement present research and this cut by the House is most discouraging. This thing will be discussed at a statewide growers meeting Friday. Your aid is earnestly solicited. Letter follows.

MARVIN VAN CLEAVE,  
President, Oregon Strawberry Council.

MAY 24, 1957.  
Hon. RICHARD B. RUSSELL,  
Chairman, Agriculture and Related  
Agencies Subcommittee, Senate Ap-  
propriations Committee, Washington,  
D. C.

MY DEAR SENATOR: It is our understanding that your subcommittee is about to mark up the appropriations bill relative to appropriations for the Department of Agriculture.

We are very much concerned over the fact that the House reduced the budget request for the item designated "Payments to States—State Experiment Stations" from \$33,503,708 to last year's figure of \$29,003,708.

We are apprehensive that this cutback will deprive the States of opportunities to expand agricultural research projects that are of great urgency in so many areas of our Nation. In fact, if this appropriation stands as recommended by the House, it will actually represent a cut in research, because the appropriation has to cover salaries, in-grade increases, and other incidental increased costs.

It seems to us that a restoration of the \$4,500,000 eliminated by the House for this item would bring about real economy through savings of crop losses and increased quality and quantity of production.

Illustrative of the views of many Oregon constituents who have protested the House action on the research program is the enclosed copy of a telegram addressed to us by Mr. Ben Davidson, administrator of the Oregon Potato Commission, Salem, Oreg.

We shall greatly appreciate the subcommittee's consideration of this matter and we urge the restoration of the \$4,500,000 eliminated from the budget request for the State experiment stations program.

With best personal regards,  
Sincerely,

WAYNE MORSE.  
RICHARD L. NEUBERGER.

Mr. MORSE. Mr. President, I also ask to have printed at this point in the RECORD certain other material discussing the need for agricultural research in brucellosis, plant parasites, plant diseases, and animal diseases.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

I should like to point out that the various States have a heavy backlog of urgent requests for research on State and local problems in these fields. The increase was recommended in order to meet rising costs of research and initiate new projects and expand some already underway. The fields of research covered by the proposed increase include crop production, plant diseases and insects, animal production, animal diseases and parasites. Present research on many

major problems facing the American farmer is not adequate to meet his needs or arrive at a solution at an early date. Because of differing climate, soil, market outlets, and other local conditions, each State has distinct problems of production and marketing of crops and livestock which can best be solved by the States, or cooperatively by two or more interested States. The States provide about three times the amount of funds provided by Federal grants. While the majority of grant funds must be matched by States, most of them more than match the Federal portion. I should like to give just one example of many in my State of Oregon. Under the requested increase of \$4,500,000 the formula would have provided for an increase of \$43,406 for the Oregon agricultural experiment station. It was planned to use \$4,000 of this amount for research on late blight of potatoes. Late blight has a habit of appearing suddenly and destructively in regions where it had not previously been considered a factor. The Senator from Louisiana [Mr. ELLENDER], who knows how to raise such excellent potatoes, will remember that the epidemic in the southern potato crop in the winter and spring of 1943-44 produced heavy losses where the disease had not been seen for 30 years or more.

This is an example of the kind of preventive research provided for in this increase. I urge the Senate conferees to insist on retaining this item—it cannot afford the customary "split the difference" with the House. It will more than pay for itself with the matching funds from the States.

UNITED STATES DEPARTMENT OF AGRICULTURE,  
STATE EXPERIMENT STATIONS, AGRICULTURAL  
RESEARCH SERVICE

The 1958 budget estimates for the Department of Agriculture include \$34,003,708 for the subappropriation "Payments to States, Hawaii, Alaska, and Puerto Rico," an increase of \$4,500,000 over the current appropriation of \$29,503,708. However, the House bill disallowed this increase.

The budget increase was recommended in order to (1) meet rising costs of research under this appropriation and (2) initiate new projects and expand some already underway. The fields of research covered by the proposed increase are crop production, plant diseases and insects, animal production, animal diseases and parasites, water use and conservation, soils and fertilizers, agricultural economics, farm mechanization and structures, marketing and utilization, home economics, and forest crop production. The various States have a heavy backlog of urgent requests for research on State and local problems in these fields.

Present research on many major problems facing the American farmer are not adequate to meet his needs or arrive at a solution at an early date. Because of differing climate, soil, market outlets, and other local conditions, each State has distinct problems of production and marketing of crops and livestock which can best be solved by the States, or cooperatively by two or more interested States. Such research is supplementary to the national and regional interests of the Department of Agriculture. To foster research between these two interdependent groups, Federal-grant funds have been appropriated for many years. Under this program the States provide about three times the amount of funds provided by Federal grants. While the majority of grant funds must be matched by States, most of them more than match the Federal portion.

If there is no increase in the appropriation, it will not only be impossible to conduct the additional research which is needed, but rising costs of research will necessitate a reduction in research at State agricultural experiment stations from present levels.

Estimated allotments to State agricultural  
experiment stations under the \$4,500,000  
increase requested for 1958

|                             |           |
|-----------------------------|-----------|
| Alabama.....                | \$99,855  |
| Alaska.....                 | 19,708    |
| Arizona.....                | 28,400    |
| Arkansas.....               | 82,872    |
| California.....             | 90,035    |
| Colorado.....               | 37,534    |
| Connecticut.....            | 30,348    |
| Delaware.....               | 21,801    |
| Florida.....                | 49,064    |
| Georgia.....                | 103,340   |
| Hawaii.....                 | 26,194    |
| Idaho.....                  | 32,686    |
| Illinois.....               | 95,471    |
| Indiana.....                | 82,721    |
| Iowa.....                   | 84,105    |
| Kansas.....                 | 58,034    |
| Kentucky.....               | 103,319   |
| Louisiana.....              | 70,332    |
| Maine.....                  | 33,225    |
| Maryland.....               | 41,744    |
| Massachusetts.....          | 37,385    |
| Michigan.....               | 90,392    |
| Minnesota.....              | 81,705    |
| Mississippi.....            | 103,126   |
| Missouri.....               | 91,049    |
| Montana.....                | 31,130    |
| Nebraska.....               | 51,145    |
| Nevada.....                 | 19,737    |
| New Hampshire.....          | 24,917    |
| New Jersey.....             | 37,002    |
| New Mexico.....             | 31,148    |
| New York.....               | 90,883    |
| North Carolina.....         | 140,041   |
| North Dakota.....           | 39,346    |
| Ohio.....                   | 108,829   |
| Oklahoma.....               | 67,085    |
| Oregon.....                 | 43,406    |
| Pennsylvania.....           | 116,703   |
| Puerto Rico.....            | 96,263    |
| Rhode Island.....           | 20,837    |
| South Carolina.....         | 79,316    |
| South Dakota.....           | 38,916    |
| Tennessee.....              | 104,952   |
| Texas.....                  | 140,116   |
| Utah.....                   | 26,970    |
| Vermont.....                | 26,595    |
| Virginia.....               | 89,616    |
| Washington.....             | 49,374    |
| West Virginia.....          | 64,849    |
| Wisconsin.....              | 82,950    |
| Wyoming.....                | 23,429    |
| Total.....                  | 3,240,000 |
| Regional research fund..... | 1,125,000 |
| Administration.....         | 135,000   |
| Total.....                  | 4,500,000 |

EXTRACTS FROM THE YEARBOOK OF AGRICULTURE, 1953

One of the most tragic events in history led to the beginning of real knowledge about plant diseases and to the development of the science of plant pathology. That was the Irish famine in the middle of the 19th century. Two circumstances were responsible. First, the impoverished population had become almost wholly dependent on their potato gardens for food. Second, the potato crop for 2 years, 1845 and 1846, was almost wholly destroyed by late blight. Accounts of physical misery and spiritual anguish suffered because of the devastation caused by this one disease go far beyond anything that ordinary experience equips one to understand. Ireland lost almost a third of its population between 1845 and 1860 as a direct result of the outbreak of late blight. A million people died from starvation or from disease following malnutrition. A million and a half more emigrated.

The outbreak in Ireland was part of a pandemic—that is, the disease suddenly became widespread and destructive almost simultaneously in several European coun-



tries and in the United States as well. As far as can be determined, the disease had appeared in these regions not more than 2 or 3 years previously. In the meantime, the pathogen evidently increased and became widely distributed, so that when the weather became generally and extremely favorable, as happened during the years of the pandemic, it could attack rapidly and in force over a wide area at once.

Why did this outbreak overwhelm the Irish and affect other peoples much less? The answer is not simple. It lies partly in agricultural and partly in political history. But essentially it is that miserable economic conditions led to the almost sole reliance of the Irish peasantry on the easily grown, productive, and filling potato for their main food.

In other places food resources were more varied so that destruction of the potato crop did not have anywhere near the same importance.

Even after this grimest of epidemics abated, its consequences remained. The disease had become a fixture in potato culture. It was more or less evident almost every year, and serious outbreaks, although none again so disastrous as the great pandemic, occurred from time to time whenever the weather was favorable. The tragic drama of the famine was one of the decisive factors in subsequent social and economic policy. Its influence on British-Irish relations is still felt.

Of course, circumstances must be unusual indeed for such extreme disaster to be caused by the attack of a plant disease, or, for that matter, by anything else. There have been other records of famine due to the severe occurrence of a plant disease. In 1733, more than a century before the Irish famine, 12,000 persons on one Japanese island died because of failure of the rice crop, caused perhaps by stunt, a virus disease. Early settlers in Australia are said to have suffered more than once from lack of food because their grain crops were destroyed by leaf rust. Actually, however, except for the toll of human lives that make it so terrifying and so impressive, famine is comparatively minor as an expression of the importance of plant diseases.

Nowadays help can reach victims quickly almost anywhere in the world, and there is less and less likelihood of famine or excuse for it.

That last statement is true except in times of stress and emergency, of disrupted transportation and world upheaval. Late blight is said to have had a place in the defeat of Germany in the First World War. In 1917 it destroyed about a third of the potato crop, which made up a large part of the wartime diet of the Germans. Reduction in the already scanty food supply contributed to the breakdown in morale and physical endurance that led to the end of the war. Here again, this required a favorable combination of circumstances; seldom does a single plant disease influence military affairs to that extent. Plant diseases can cause or aggravate serious shortages in wartime, however, all the more so because then fewer varieties of crops are apt to be grown; their products, whether for food or other consumption, are urgently needed in greater quantity than usual; replacements or substitutes are hard to get or are unsatisfactory; diversion of chemicals necessary in the manufacture of fertilizers and fungicides to other use hampers control of parasitic and non-parasitic diseases; and the overloaded transportation facilities multiply the effects of all the other factors.

Some of the most dreaded diseases of crops are of moderate importance or are scarce or even absent a good part of the time. But they can attack with great suddenness and

destructiveness in certain seasons, or perhaps during several consecutive years. Among them are wheat stem rust and potato late blight, which are probably the most famous of plant diseases because of the importance of the hosts almost everywhere and because of the extraordinary severity of epidemic outbreaks of either disease.

Late blight has a habit of appearing suddenly and destructively in regions where it had not previously been considered a factor. The epidemic in the southern potato crop in the winter and spring of 1943-1944 is a good illustration. Contributing factors in that outbreak were: The especially abundant supply of inoculum that resulted from wartime relaxation of seed requirements; exceptionally wet weather, favorable temperatures; lack of experience with the disease; and difficulty of control, the result of the early heavy attack, weather that prevented efficient application, and scarcity of control materials. The total result was the most severe and widespread epidemic ever known in the South. Losses were heavy in some States where the disease had not been seen for 30 years or more.

One cannot study a parasitic plant disease without taking into account the influence of temperature and moisture on the pathogen, on the reaction of the host, and on consequent disease development. Obviously, a connection so regular must have great practical significance.

If we can tell when an outbreak is likely to happen, we can prepare for it and reduce losses. In particular, we can overcome the difficulty in the use of expensive chemical control measures arising from the fact that routine application is wasted in years when the disease is absent, but, on the other hand, when it does attack protection must be prompt and continuous to do any good. With such a choice farmers are apt to take a chance and often will sustain severe losses. Forecasting enables sound judgment instead of wasteful guessing on the need for control measures.

Prediction does not always help in control but does enable farmers to reduce their losses in other ways. For instance, there is no practicable shorttime control measure available for wheat leaf rust, but forecasts issued early in the season allow farmers to plow up their wheat and plant some other crop or to pasture their fields if a serious outbreak is indicated. Thus they can recover at least part of their season's investment.

Late blight of potato is a downy mildew caused by a fungus, *Phytophthora infestans*. The mildew, or flour-like spots, usually on the lower surface of the leaf, distinguishes the disease from other leaf spots on the potato plant. Humid conditions favor it. Despite its name, the first infection often occurs soon after the plants emerge when favorable moisture and temperature prevail. At 70° to 75° F. the fungus grows so fast inside the leaves that within a week after infection it causes dead spots one-half to 1 inch in diameter. The entire plant may be killed within 2 weeks. The brown discoloration of the foliage brings to mind the terms "blight" and "rust."

Mr. MORSE. Mr. President, again I say to my constituents who have urged me to offer amendments increasing the amount that I do not believe in engaging in simple political gestures. I may say for the RECORD that I could offer the amendments they suggested that I offer. But it would be hopeless,

because, as the Senator from Georgia has pointed out to me, the Appropriations Committee would oppose the amendments. Also, he has given me his sincere and honest advice that our best hope of holding the amounts we have provided by means of the amendments recommended by the Appropriations Committee is to support the Senate committee version of the bill. The Senator from Georgia has pointed out that the real danger is that if we try to increase those amounts, we may wind up in conference with lesser amounts.

Therefore, on the basis of the statements made today, I am not offering the amendments suggested by these groups, because, as I have said before on the floor of the Senate, I think we have obtained, under the leadership of the Senator from Georgia, the best possible bill we have any hope of having enacted at this session of Congress, in view of what is almost a fixation, I may say, regarding economy this year at the expense, in item after item of many bills, as I experienced it early today in connection with the District of Columbia appropriation bill, of human welfare and human needs.

Mr. NEUBERGER. Mr. President, I desire the RECORD to show that I supported the amendment offered by the junior Senator from Ohio [Mr. LAUSCHE] because I believe there must be imposed an extremely rigid ceiling on what can be paid by the Government to any one farm unit under the acreage-reserve program. Unless we do that, we shall be aiding only relatively large agricultural operations, and we shall continue to be unfair and discriminatory to the family-size farming undertaking.

The PRESIDING OFFICER. Does the Senator from Texas yield back the remainder of the time under his control?

Mr. JOHNSON of Texas. Mr. President, I am prepared to do so, if the minority leader will do likewise.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time, under the same condition.

Mr. JOHNSON of Texas. Then, Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is, Shall the bill pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Arkansas [Mr. McCLELLAN] is absent by leave of the Senate on official business.

I further announce, if present and voting, all of the Senators listed above would have voted "yea."

Mr. DIRKSEN. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr.



COTTON], the Senator from Nebraska [Mr. HRUSKA], the Senator from Nevada [Mr. MALONE], and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from North Dakota [Mr. LANGER] are absent because of illness.

The Senator from Connecticut [Mr. BUSH] and the Senator from Pennsylvania [Mr. MARTIN] are absent on official business.

The Senator from Maine [Mr. PAYNE] is necessarily absent.

If present and voting, the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. HRUSKA], the Senator from Connecticut [Mr. BUSH], the Senator from Nevada [Mr. MALONE], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 78, nays 0, as follows:

## YEAS—78

|               |                 |              |
|---------------|-----------------|--------------|
| Aiken         | Gore            | Morton       |
| Allott        | Green           | Mundt        |
| Anderson      | Hayden          | Murray       |
| Barrett       | Hennings        | Neuberger    |
| Beall         | Hickenlooper    | O'Mahoney    |
| Bennett       | Hill            | Pastore      |
| Bible         | Holland         | Potter       |
| Butler        | Humphrey        | Purtell      |
| Byrd          | Ives            | Revercomb    |
| Capehart      | Jackson         | Robertson    |
| Carlson       | Javits          | Russell      |
| Carroll       | Jenner          | Saltonstall  |
| Case, N. J.   | Johnson, Tex.   | Schoeppel    |
| Case, S. Dak. | Johnston, S. C. | Scott        |
| Chavez        | Kennedy         | Smith, Maine |
| Church        | Kerr            | Smith, N. J. |
| Cooper        | Knowland        | Sparkman     |
| Curtis        | Kuchel          | Stennis      |
| Dirksen       | Lausche         | Symington    |
| Dworshak      | Long            | Talmadge     |
| Eastland      | Magnuson        | Thurmond     |
| Ellender      | Mansfield       | Thye         |
| Ervin         | Martin, Iowa    | Watkins      |
| Flanders      | McNamara        | Wiley        |
| Frear         | Monroney        | Williams     |
| Goldwater     | Morse           | Yarborough   |

## NOT VOTING—17

|         |             |           |
|---------|-------------|-----------|
| Bricker | Fulbright   | McClellan |
| Bridges | Hruska      | Neely     |
| Bush    | Kefauver    | Payne     |
| Clark   | Langer      | Smathers  |
| Cotton  | Malone      | Young     |
| Douglas | Martin, Pa. |           |

So the bill (H. R. 7441) was passed.

Mr. RUSSELL. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. HAYDEN, Mr. HILL, Mr. ROBERTSON, Mr. ELLENDER, Mr. YOUNG, Mr. MUNDT, and Mr. DWORSHAK the conferees on the part of the Senate.

### THE KHRUSHCHEV STATEMENT ON THE COMMUNIST SYSTEM

Mr. KNOWLAND. Mr. President, in the television program on Sunday, June 2, Mr. Khrushchev, the First Secretary of the Communist Party, had an interview which was rebroadcast in the United States. At that time the following question was asked of him by Mr. Cutler:

Mr. Khrushchev, do you have any fear that if you withdraw your troops from certain

states in Eastern Europe, those countries would all remain Communist?

In reply, Mr. Khrushchev answered in the following words:

You seem to think that the Communist system in some country can be held up by our armed forces. But I wouldn't defend a Communist system of that kind. The Communist system must be based on the will of the people, and if the people should not want that system, then that people should establish a different system. And for that reason we have no fear of withdrawing our troops from any country of Eastern Europe or from Eastern Germany, and we are certain that the people themselves will defend their system even better without that.

Mr. President, as the distinguished majority leader has spoken on another aspect of this situation, it seems to me that Mr. Khrushchev has opened up a situation of which this country and the free world should take full advantage. Based on that, I addressed a letter to the Secretary of State, under date of June 8, 1957. Because of some misinterpretations or misunderstandings of the proposal, I desire to read into the RECORD at this time the letter I addressed to the Secretary of State. I wish to say that prior to releasing this letter, I personally discussed the matter with the Secretary of State, and he said he had no objection to my making the letter public. The letter reads:

DEAR MR. SECRETARY: It seems to me that Mr. Khrushchev in his television appearance of Sunday, June 2, has given us an opportunity to call his hand. He would be placed in the position of carrying out his expressed belief or being exposed as a dealer in typical Communist propaganda.

When Mr. Cutler asked him the question, "Do you have any fear that if you withdraw your troops from certain states in Eastern Europe that those countries would all remain Communist?"

In his reply he said, " \* \* \* You seem to think that the Communist system in some country can be held up by our armed forces. But I wouldn't defend a Communist system of that kind. The Communist system must be based on the will of the people, and if the people should not want that system, then that people should establish a different system. And for that reason we have no fear of withdrawing our troops from any country of Eastern Europe or from Eastern Germany, and we are certain that the people themselves will defend their system even better without that."

I would strongly recommend that we challenge him in this area to demonstrate his expressed faith in communism and in an area where his country already has treaty and moral commitments to withdraw.

1. When Austria became free of Soviet occupation the legal basis for retaining troops in Hungary terminated.

2. The last legal Government of Hungary under Nagy repudiated the Warsaw Pact which removed even this doubtful justification for the presence of Soviet forces.

3. The United Nations has passed 10 resolutions relative to Hungary including those relating to Soviet troops' withdrawal and the holding of free elections.

In view of the above and with the consent of our associates in the North Atlantic Alliance including, of course, Norway, I would hope that we would confront Khrushchev and the Soviet Union with the challenge to live up to their prior commitments and obligations and to test the popularity of 10 years of Communist domination by giving the people of Hungary the oppor-

tunity of voting for a government of their choice in secret, free elections under United Nations supervision.

In exchange we and our allies could agree that Norway would become a member of the Baltic neutral bloc.

If this proposal was not satisfactory, an alternative would be that the Soviet Union withdraw from Latvia, Lithuania, and Estonia, live up to their previous treaties of friendship and nonaggression with those three Baltic Republics, return the thousands of Latvians, Lithuanians, and Estonians from Soviet prison camps and agree to United Nations-supervised free elections in these three Baltic Republics. The free world and the Soviet Union to thereafter jointly agree to guarantee the frontiers of the Baltic neutral bloc against any aggression.

Khrushchev has given an opening which should not be ignored. It would give us an opportunity to test his words against Soviet deeds. This is fully in line with earlier expressions of President Eisenhower that the Soviet Union should demonstrate by "deeds and not words" that it was prepared to lay the groundwork for peace with honor.

With best personal regards, I remain,  
Sincerely yours,

WILLIAM F. KNOWLAND.

Mr. President, I make this letter public because of the misunderstanding, first, that there was any proposal made that this be done without full consultation with all our allies, including Norway; secondly, that the opening Khrushchev gave us should not be bypassed or ignored; thirdly, even if Norway and other NATO nations should agree to it, we would still not leave them to the tender mercies of the Communist world, but with guaranties to a Baltic neutral bloc.

### LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I desire to express my appreciation to my colleagues for their cooperation in passing two important appropriation bills today and sending them to conference. I hope we shall be as successful tomorrow in acting on two other appropriation bills, namely, Order No. 421, H. R. 6070, the independent offices appropriation bill, and Order No. 423, H. R. 6287, the Departments of Labor, and Health, Education, and Welfare appropriation bill.

Mr. President, I now desire to make a motion.

The PRESIDING OFFICER. The Senator from Texas has the floor.

### INDEPENDENT OFFICES APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 421, H. R. 6070, making appropriations for independent offices.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6070) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1958, and for other purposes.



The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, under the previous order, the Senate will meet tomorrow at 9:30 a. m. There will then be a morning hour, a quorum call, and the consideration of the independent offices appropriation bill, provided such procedure is agreeable to the chairman and ranking minority member of the subcommittee. If by chance that should not be agreeable to them, we would substitute the Labor-Health, Education, and Welfare appropriation bill.

We hope to pass both appropriation bills tomorrow, and then proceed to the consideration of the mutual security authorization bill.

#### ADDITIONAL APPENDIX MATTER

By Mr. COOPER:

Speech by Watson W. Wise, chairman, Good Neighbor Commission of Texas, before Council of International Relations, San Antonio, Tex., April 15, 1957.

#### ADJOURNMENT TO 9:30 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, if there are no Senators who desire to address the Senate, pursuant to the order previously entered, I move that the Senate stand in adjournment until 9:30 o'clock a. m. tomorrow.

The motion was agreed to; and (at 10 o'clock and 18 minutes p. m.) the Senate adjourned, the adjournment being, under the order entered yesterday, June 10, 1957, until tomorrow, Wednesday, June 12, 1957, at 9:30 o'clock a. m.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate June 11, 1957:

##### UNITED STATES DISTRICT JUDGE

Robert Van Pelt, of Nebraska, to be United States district judge for the district of Nebraska.

##### UNITED STATES ATTORNEYS

Hartwell Davis, of Alabama, to be United States attorney for the middle district of Alabama for a term of 4 years.

Jack Chapler Brown, of Indiana, to be United States attorney for the southern district of Indiana for a term of 4 years.

Clinton G. Richards, of South Dakota, to be United States attorney for the district of South Dakota for a term of 4 years.

##### UNITED STATES MARSHALS

James L. May, of Alabama, to be United States marshal for the southern district of Alabama for a term of 4 years.

John F. Barr, of West Virginia, to be United States marshal for the northern district of West Virginia for a term of 4 years.







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued June 18, 1957

For actions of June 17, 1957

85th-1st, No. 104

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

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**HIGHLIGHTS:** Senate committee reported bills to modify relation of supports on burley and Virginia tobacco, exempt certain wheat producers from marketing penalties, transfer wheat acreage allotments of lands taken by right of eminent domain, and eliminate requirements for certain peanut reports. Sen. Capehart commended Industrial Uses Commission's report. Sen. Purtell criticized Department's report on Humane slaughter bill. Sen. Humphrey inserted statement on use of food and (see p. 6.)

## SENATE

- 1. PEANUTS; TOBACCO; WHEAT.** The Agriculture and Forestry Committee reported the following bills:  
Without amendment, S. 609, eliminating the requirement of reports from persons operating peanut picking or threshing machines (S. Rept. 456), p. 8280;  
Without amendment, H.R. 7259, to modify the relation of supports on burley and Virginia tobaccos (S. Rept. 457), p. 8280;  
With amendment, S. 959, to exempt from marketing penalties producers of wheat used for seed or feed on the farm (S. Rept. 458), p. 8280;  
With amendments, S. 606, to permit the transfer of wheat acreage allotments of lands taken from the farmer by right of eminent domain (S. Rept. 459), p. 8280
- 2. ATOMIC ENERGY.** Debated the Statute of the International Atomic Energy Agency. pp. 8267-77, 8343-76, 8382-3, 8384-90
- 3. RESEARCH.** Sen. Capehart commended the report of the Commission on Increased Industrial Uses of Agricultural Products, inserted his bill to expand research activities to discover new uses, and inserted his speech on the subject. pp. 8329-36



4. HUMANE SLAUGHTER. Sen. Purtell urged the passage of humane slaughter legislation and inserted this Department's adverse report on the bill and his letter to Sen. Ellender criticizing it. pp. 8336-7
5. WATER RESOURCES. Sen. Watkins inserted a speech by the Governor of Utah, "A Midcentury Appraisal of Water and Power Needs." pp. 8337-9
6. WATER POLLUTION. Received a Calif. Legislature resolution urging increased efforts to prevent the pollution of the San Francisco Bay area. p. 8278
7. FLOOD CONTROL. Sen. Johnson urged increased spending for flood control and the development of water resources. pp. 8286-7
8. FISCAL POLICY. Sen. Johnson criticized the Administration's monetary and credit policies, which he said deterred local government bodies from borrowing money. p. 8287
9. TAX AMORTIZATION. Sen. Neuberger inserted a letter from an engineer to the President discussing the probable cost of the fast tax writeoff granted the Idaho Power Co. pp. 8376-9
10. FOOD DISTRIBUTION. Sen. Humphrey inserted his statement on the use of food and fiber in our foreign policy. pp. 8383-4

HOUSE

11. BUDGETING. The Government Operations Committee reported without amendment H.R. 8002, to provide for stating appropriation estimates on an accrued expenditure basis (H. Rept. 572). p. 8437
12. ADVISORY COMMITTEES. The Government Operations Committee reported with amendment H.R. 7390, to amend the Administrative Expense Act of 1946 so as to require reports to Congress prior to the establishment of certain advisory committees (H. Rept. 576). p. 8437
13. RESEARCH. Received the report of the President's bipartisan Commission on Increased Industrial Use of Agricultural Products, pursuant to Public Law 540, 84th Congress; to Agriculture Committee. p. 8437
14. APPROPRIATIONS. Conferees were appointed on H.R. 7441, the agricultural appropriation bill for 1958 (Senate conferees were appointed June 11), and ~~H.R. 6070, the independent offices appropriation bill for 1958 (Senate conferees were appointed June 11).~~ p. 8394
15. MEATS. Passed over, at the request of Rep. Marshall, H.R. 7244, to amend the Packers and Stockyards Act of 1921 so as to permit deductions for a self-help meat promotion program. p. 8395
16. PERSONNEL. Passed with amendments S. 601, relative to the charging of interest on deposits in the civil service retirement fund during certain periods of separation from the service. H.R. 3084, a similar bill, was laid on the table. p. 9396
17. CONTRACTS. Passed as reported H.R. 7536, to extend the termination date of title II of the First War Powers Act of 1941 from June 30, 1957 to June 30, 1958. Under title II the President may authorize any department or agency of the Government, which is dealing with national defense, to make contracts.



able length of time to consider it. We are not going to be fooled by any committee that uses technical procedure to bottle up pending legislation. If that committee tried to bottle up the bill, I would then be in favor of a resolution to discharge the committee from consideration of the bill. By the same majority vote, we can discharge a committee.

It is said that we shall still be in parliamentary difficulty, because it means that has to be done during the morning hour, and Senators can speak until 2 o'clock, and by dilatory tactics, they can prevent the motion from coming up for some time. Mr. President, they lose in the long run, unless they have the conviction I have. I happen to hold to the view that when people use tactics of that kind, they destroy the very case they are seeking to defend, if the opposition has the will and determination to stick to the issue and hold fast until finally sound civil rights legislation can be enacted.

People say, "Senators become tired. They want to go home. They want to do this, and they want to do that." I know of nothing more important, so long as we sit in the Senate, than carrying out the full obligations of our oath of office.

As I said to the Senator from Minnesota this morning in my colloquy with him, when I commended him for what I thought was another one of his great speeches, I think we ought to fight, on the basis of procedure, so no one can say we used any form of parliamentary expediency. We should give the Judiciary Committee an opportunity to consider the House bill and give it a reasonable time to report the House bill. Then, if we are satisfied the committee is not keeping faith with its obligation to the Senate, namely, to report the bill, either with approval or without approval, we can then move to discharge that committee, and keep that issue before the Senate until we finally get a vote on it, and use our majority, if we have a majority. If we have a majority, we can use it to discharge the committee and then to pass fair civil rights legislation. That is my case.

To all of the other 13 Members whose names are on the statement Friday I wish to say I am exceedingly sorry if I have offended them in any way. I said this morning, however, that I would presume that some of them would think I had pulled the rug out from under them, but I want them to know I reached no conclusion on this matter, as a member of my office staff can tell them, until midafternoon yesterday, when I finally told my staff member that I thought the procedure proposed was not the sound procedure we ought to follow and that I was going to have to reverse myself on that issue.

I have made this statement, Mr. President, because I thought the record ought to be clear. I am perfectly willing to be judged by my conscience on this matter.

To those 13 colleagues of mine, let me say they can count on me to fight with them for good civil-rights legislation. However, I do not intend to go along with a course of action which, in my judg-

ment, has some of the characteristics of parliamentary expediency, which I think will be at the cost and expense of complete fairness to all our colleagues in the Senate on this issue.

Mr. JOHNSON of Texas obtained the floor.

Mr. DOUGLAS. Mr. President—

Mr. JOHNSON of Texas. Does the Senator desire to address the Senate?

Mr. DOUGLAS. I would appreciate it if I might be recognized.

Mr. JOHNSON of Texas. I was recognized, let me say to the Senator.

Mr. DOUGLAS. I beg the Senator's pardon.

Mr. JOHNSON of Texas. I had planned to make a motion to adjourn.

Mr. DOUGLAS. I wonder if the Senator from Texas would be willing to withhold his motion and yield to me for a brief moment.

Mr. JOHNSON of Texas. That is the reason I asked the question, as to whether the Senator desired to address the Senate. I am happy to yield to the Senator.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DOUGLAS. Mr. President, I should like to say, not in reply to my friend, the Senator from Oregon, but in comment upon what he has said, that of course a man's conscience is his most sacred possession and it is very important that one should follow one's conscience at all times.

If upon careful examination of the issues and careful scrutiny of one's conscience a man believes he was in error, it is perfectly proper and acceptable for him to so declare immediately. I wish to assure the Senator from Oregon that I understand and appreciate his motives and have no criticism of those motives. I have expressed myself privately to him that I thought it would have been better if the rest of our group had received advance notice of what he intended to do. I still feel that way but this is a matter for him to decide.

I wish to say that the views which the Senator from Oregon holds on most public issues are so close to the beliefs of the Senator from Illinois, and I think of the vast majority of northern and western Democrats, that I hope he will not feel this difference constitutes any permanent breach between us. We happen to believe, on our side of the fence, as strongly as he does on his side that we are proceeding properly. We have arrived at this opinion after reading what happened on both the tidelands and oleo bills. While we may have some temporary differences of opinion, which I am sure some would like to encourage, I hope these differences will not be permanent between us and that after this immediate issue is decided that the Senator from Oregon, the Senator from Illinois and others of the same faith may move together on the many issues which we hold in common.

I shall be very glad to talk to the Senator from Oregon off the floor on this subject, and to assure him of the deep and continuing friendship of the Senator from Illinois, and of my hope that this friendship may be continued in the future.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Oregon.

Mr. MORSE. I wish to say to my friend, the Senator from Illinois [Mr. DOUGLAS], that I never had the slightest idea our difference over this matter would have any effect on our personal relations whatsoever. I told the Senator earlier this afternoon that I consider him one of my dearest friends. I shall always hold for him the high regard and respect I now entertain for him, and keep him on my list as one of my dearest friends.

#### THE STATUTE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY—RESERVATION

Mr. BRICKER submitted a reservation, intended to be proposed by him, to the resolution of ratification of the statute of the International Atomic Energy Agency, which was ordered to lie on the table and to be printed.

#### ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. The Senate is now in executive session?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. Pursuant to the order previously entered, when the Senate convenes tomorrow it will convene at 12 o'clock, in executive session?

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that the Senate will convene in executive session.

#### ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, while we have such a wonderful atmosphere existing, I move that the Senate stand in adjournment until tomorrow.

The motion was agreed to; and (at 6 o'clock and 26 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Tuesday, June 18, 1957, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate June 17, 1957:

##### DIPLOMATIC AND FOREIGN SERVICE

Jacob D. Beam, of New Jersey, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Poland.

##### ATOMIC ENERGY COMMISSION

John S. Graham, of North Carolina, to be a member of the Atomic Energy Commission for the term expiring June 30, 1959, vice John Von Neumann, deceased.

John Forrest Floberg, of Illinois, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1962, vice Thomas E. Murray, term expiring.



# House of Representatives

MONDAY, JUNE 17, 1957

The House met at 12 o'clock noon.

Dr. Ralph M. Sharpe, minister, Francis Asbury Methodist Church, Washington, D. C., offered the following prayer:

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid; cleanse the thoughts of our hearts by the inspiration of Thy holy spirit, that we may perfectly love Thee, and worthily magnify Thy holy name; through Christ our Lord.

We rejoice today that the things which gladden, enrich, and perfect life are Thy gifts. Thou, O Lord, art the supreme giver and the source of all our blessings. We pray that our thoughts and affections may be centered on Thee, forgetting not Thy benefits. Give us possession of ourselves, sustain us with Thy presence, and gladden us in the increase of our strength.

Let not the spirit of thankfulness die in our hearts, thankfulness for a great heritage worth living and dying for; gratitude for abiding faith that will survive all disaster and rise triumphant above the wrecks of time. Let us be attentive to Thy voice that we may know the things which belong to our peace and the peace of the world. We ask in the Redeemers's name. Amen.

## THE JOURNAL

The Journal of the proceedings of Friday, June 14, 1957, was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S.2130. An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

## DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7441, making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause]. The Chair hears none and appoints the following conferees: Messrs. WHITTEN, MARSHALL,

NATCHER, BOWLER, CANNON, ANDERSON of Montana, HORAN, VURSELL, and TABER.

## INDEPENDENT OFFICES APPROPRIATION BILL, 1958

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6070, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. THOMAS, YATES, EVINS, BOLAND, CANNON, VURSELL, OSTERTAG, JONAS, and TABER.

## COMMITTEE MEETINGS DURING SESSIONS OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Small Business may be allowed to sit this week after today during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## CORRECTION OF RECORD

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to correct an error on page 7824 of the CONGRESSIONAL RECORD for June 11, 1957. The word "not" should be stricken from the sentence in the third column on page 7824, and I quote: "But if Congress, on the other hand, does not deny jury trials," and so forth. The "not" should be stricken from the sentence.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. O'HARA of Minnesota. Mr. Speaker, as shown on page 8134 of the CONGRESSIONAL RECORD for June 14, 1957, through inadvertence and error the words "and unless it" were omitted, which changed the entire context and meaning of my statement. I ask unanimous consent that the permanent RECORD be changed to show the correct statement I made, which is as follows:

Because it made for so much disregard for law and order, and if such a bill as you have here is passed, if it does become law and unless it is administered most wisely and

fairly, then you are going to have a further decline and a disruption of respect for law and order and that respect is so very necessary in this great country of ours.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to correct the RECORD of June 14, page A4724. The title is incorrect in that the word "seems" was used instead of the word "seen."

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

## CORRECTION OF ROLL CALL

Mr. FULTON. Mr. Speaker, I ask unanimous consent that rollcall No. 109 be corrected to show that I was present. I was present and answered to my name. May I further add this is only the fourth time in 13 years that such a mistake has been made, and I congratulate the record clerks on their good record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## THE HOUSE TALLY CLERKS

(Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks at this point in the RECORD.)

Mrs. ROGERS of Massachusetts. Mr. Speaker, the gentleman from Pennsylvania [Mr. FULTON] referred to the fact that in only 4 instances in his 13 years of service in the House has he been recorded incorrectly on rollcalls. May I say that in 32 years as a Member of this House in only 1 instance have the tally clerks made an error in recording my vote? I think this is a very fine record and I congratulate them for their accuracy.

## SUBCOMMITTEE ON LABOR

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that the Fair Labor Standards Subcommittee of the Committee on Labor may have permission to sit during general debate for the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued July 8, 1957  
For actions of July 5, 1957  
85th-1st, No. 117

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HIGHLIGHTS: House received conference reports on: Agricultural appropriation bill. Extension of Public Law 480.

## HOUSE

1. AGRICULTURAL APPROPRIATION BILL FOR 1958. Received the conference report on this bill, H.R. 7441 (H. Rept. 682). (pp. 9822-24) At the end of this Digest is a summary of the actions of the conferees.

2. FOREIGN TRADE; SURPLUS DISPOSAL. Received the conference report on S. 1314, to extend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) for one year, to increase the authorization under Title I from \$3 to \$4 billion, and to authorize \$300 million additional under Title II for famine relief (H. Rept. 683). (pp. 9824-25) The conference report also includes the following provisions:

Permits barter transactions (but not sales for local currency) with the European satellite nations, but specifically prohibits barter transactions with the U.S.S.R., Communist China, or any of the areas dominated or controlled by the Communist regime in China.

Omits the House provision which would have extended the appropriating authority of Congress to the financing of international educational exchange activities and the translation, publication, and distribution of books and periodicals with foreign currencies available under the act.

Provides that up to 25 percent of foreign currencies received may be loaned to domestic or foreign firms for developing markets for U.S. agricultural products, provided that no loans may be made for the manufacture or production of any commodity to be marketed in competition with U.S. agricultural commodities or the products thereof.



Retains the House provision requiring that a full report on any agreement for the use of any foreign currencies be made to the Senate and House and to the Committees on Agriculture and Appropriations within sixty days after any such agreement is entered into.

Omits the House provision that would have made surplus food commodities available for contribution to State and local penal and correctional institutions.

The conference report contains the following statement: "The conferees take this occasion to specifically reaffirm the statements with respect to the basic objectives of Public Law 480 and the operations thereunder which were contained in the committee reports of the two Houses on this legislation. Specifically, the conference committee believes that the provisions of Public Law 480 should be utilized to the fullest to develop new and expanded markets abroad for the products of American agriculture. In this connection, the committee of conference expects that extra long staple cotton will be sold under the authority of this act, as is upland cotton, to any friendly nation without regard to the fact that this commodity may compete with a similar commodity produced outside the United States, and that all surplus agricultural commodities regardless of the kind, will be made available for sale under the act without the imposition of conditions which would prevent or tend to interfere with their sale. Rather than in any way seeking to discourage or impede the sales of such surplus commodities, their sales should be emphasized if it appears that by such sale under this act a future market for dollars, in the regular course of international trade, may be established for such commodities."

3. CIVIL DEFENSE. The Armed Services Committee reported without amendment H.R. 7576, to amend the Federal Civil Defense Act of 1950 so as to provide for contributions to the States for certain civil defense purposes (H. Rept. 694). p. 9837
4. OLEOMARGARINE. The Armed Services Committee reported with amendment H.R. 912, to provide for the serving of oleomargarine or margarine in the Navy ration (H. Rept. 690). p. 9837
5. RECLAMATION. The Interior and Insular Affairs Committee submitted minority views on H.R. 2147, to provide for the construction by the Department of the Interior of the San Angelo reclamation project, Tex. (H. Rept. 664). p. 9837
6. ELECTRIFICATION. Rep. Efst inserted a newspaper editorial discussing the issues involved in the Hells Canyon controversy. p. 9826  
Rep. Abernethy spoke in favor of legislation to permit TVA to finance its own power expansion facilities by the use of revenue bonds. pp. 9827-29
7. SURPLUS COMMODITIES; MILITARY CONSTRUCTION. In the report on H.R. 8240 (H. Rept. 638), the military construction bill, the Armed Services Committee stated as follows: "Section 410 would further amend section 407 of Public Law 765, 83rd Congress (surplus commodity program), to assure that housing allotments otherwise paid to or rental charges collected from civilian personnel will be available for payments to the Commodity Credit Corporation when such personnel occupy housing constructed under this program."
8. LEGISLATIVE PROGRAM. Rep. Albert announced that on Mon., July 8, H.R. 8240, the military construction bill, will be considered, to be followed on Tues. and the remainder of the week with consideration of H.R. 7441, the agricultural appropriation bill, H.R. 6814, compulsory poultry inspection, H.R. 7390,

Excerpts from Statement of the Managers on the Part of the House

AGRICULTURAL RESEARCH SERVICE

Amendment No. 1--Salaries and expenses: Limits building alterations to four percentum of the cost of the building, instead of three percentum as proposed by the House and five percentum as proposed by the Senate.

Amendment No. 1a--Research: Appropriates \$57,794,890, instead of \$48,994,890 as proposed by the House and \$58,794,890 as proposed by the Senate. The amount agreed to provides an additional \$1,000,000 for utilization research over the House bill.

Amendment No. 2--Research: Provides language for construction, alteration, and repair of buildings and acquisition of necessary lands therefor.

The laboratory in Mississippi is for work in the general field of hydraulic engineering with special emphasis on the entrainment, transportation, and disposition of sediment, shall be on the scale approved by the House, and shall be located as heretofore requested and justified before the Appropriations Committees of the House and Senate by the Department of Agriculture, to serve the needs of the Little Tallahatchie and Yazoo Watersheds, as well as the general research needs of the watershed treatment and flood-prevention programs of the Soil Conservation Service.

The conferees understand that such laboratory will be operated in cooperation with the University of Mississippi and Mississippi State College, in line with the general intent of the cooperative agreement entered into by the Department of Agriculture, the University of Mississippi, and Mississippi State College, which became effective August 1, 1956, for the operation of the present research project in this field.

The Conferees agree that the laboratory designated for the Midwest in the Senate report should be constructed on the scale approved by the House and should be located in the Barnes-Aasted area of the North Central States as indicated in the House report and as supported by testimony of Department officials in subcommittee hearings held on September 24, 1956.

Amendment No. 3--Plant and animal disease and pest control: Appropriates \$26,082,000 as proposed by the Senate instead of \$25,682,000 as proposed by the House.

Amendment No. 4--Meat inspection: Appropriates \$16,826,000 as proposed by the Senate instead of \$16,586,000 as proposed by the House. The conferees direct that the additional funds agreed to be used to provide additional inspectors for new meatpacking plants.

Amendments Nos. 5 and 6--State experiment stations: Appropriate \$30,353,708 instead of \$29,503,708 as proposed by the House and \$30,503,708 as proposed by the Senate.

EXTENSION SERVICE

Amendments Nos. 7 and 8--Payments to States, Hawaii, Alaska, and Puerto Rico: Appropriate \$50,715,000 instead of \$49,101,000 as proposed by the House and \$50,865,000 as proposed by the Senate. The additional funds agreed to above the House figure should be used to expand the work of the regular extension agents. Not to exceed \$250,000 of the increase should be used for the rural development program primarily in States which have not had such a program heretofore.



## AGRICULTURAL MARKETING SERVICE

Amendment No. 9--Marketing research and agricultural estimates: Appropriates \$14,116,700 instead of \$14,041,700 as proposed by the House and \$14,141,700 as proposed by the Senate. The conference committee directs that the additional work relative to the weather crop reports and estimates of poultry laying flocks and egg production be performed within the funds approved.

Amendment No. 10--Marketing services: Appropriates \$14,274,900 as proposed by the House instead of \$14,324,900 as proposed by the Senate. The conferees are agreed that, since the livestock market at Sioux Falls, S. Dak., has recently been placed in category I, it deserves treatment similar to other markets in this category.

The conference committee has agreed that the reference in the Senate committee report was not intended to preclude research on truck transportation, but was intended to emphasize that care be exercised in the Department to make sure that research publications are impartial in dealing with the various methods of transportation, and to emphasize the need for a careful review of research projects undertaken as to essentiality and as to benefits to be derived therefrom by agricultural producers.

## FOREIGN AGRICULTURAL SERVICE

Amendment No. 11--Appropriates \$4,002,300 instead of \$3,902,300 as proposed by the House and \$4,052,300 as proposed by the Senate. The conferees expect that the home-leave travel needs of this Service will be met within the total funds approved.

Amendment No. 12--Reported in disagreement.

## OFFICE OF THE SECRETARY

Amendment No. 13--Appropriates \$2,660,660 instead of \$2,640,660 as proposed by the House and \$2,664,060 as proposed by the Senate.

## SOIL AND WATER CONSERVATION

Amendment No. 14--Strikes House language establishing a combined appropriation for all soil and water conservation programs of the Department. Individual appropriations for all items involved are provided by amendments Nos. 15 through 22 which follow. The conferees are of the opinion that there are benefits to be derived from the consolidation of some or all of these appropriations, but feel that further consideration should be given to such a change. Accordingly, the Secretary is requested to study the matter and be prepared to discuss his findings with the House and Senate Appropriations Committees during consideration of the 1959 budget.

## SOIL CONSERVATION SERVICE

Amendment No. 16--Conservation operations: Appropriates \$72,545,000 instead of \$73,545,000 as proposed by the Senate. The increase included in this amount is provided to furnish technical assistance to new soil conservation districts to be organized during the next year.

Amendment No. 17--Watershed protection: Appropriates \$25,500,000 as proposed by the Senate.

Amendment No. 18--Flood prevention: Appropriates \$13,220,000 as proposed by the Senate.

Amendment No. 19--Water conservation and utilization projects: Appropriates \$350,000 as proposed by the Senate.

#### GREAT PLAINS PROGRAM

Amendment No. 20--Appropriates \$10,000,000 as proposed by the Senate.

#### AGRICULTURAL CONSERVATION PROGRAM

Amendment No. 21--Appropriates \$212,000,000 as proposed by the Senate, and limits amount to be received by any one participant to \$2,500 as proposed by the House instead of \$1,500 as proposed by the Senate. It is agreed by the conference committee that the change in this limitation should not affect present or future allocations under the basic formula governing the distribution of funds to States under this appropriation.

The amount appropriated, together with the balance of \$38,000,000 available from the 1955 program, will provide the full \$250,000,000 authorized for the 1957 program.

The conferees believe that the conservation reserve program should not be used to curtail existing programs, particularly the agricultural conservation program. It is understood from the Department's justifications and testimony that the 1958 agricultural conservation program will be continued on the same basis as the 1957 program. In agreeing to the funds for this purpose in the accompanying bill, the conferees direct that no changes will be made in the 1958 agricultural conservation program to restrict eligibility requirements or delete cost-sharing practices included in the 1957 program. Floods and drought conditions in much of the Nation make it imperative that all 1957 program practices be continued in 1958.

It is to be noted that the 1957 conservation reserve program is participated in by only 81,130 people at an estimated cost of \$133,000,000, whereas the 1957 agricultural conservation program is participated in by 1,275,000 farmers at an estimated Federal cost of about \$250,000,000.

The conferees recommend that the Department revise its method of securing recommendations for practices covered by the proposed advance authorization for the 1959 agricultural conservation program by securing recommendations for cost-sharing practices from county and State committees at the time the 1958 program is formulated. This should result in economy of program administration, more timely recommendations for formulation of a national agricultural conservation program for 1959, and should enable the Department to present any changes proposed in the 1959 program to the Congress during appropriation hearings next year.

#### SOIL-BANK PROGRAMS

Amendment No. 22--Conservation reserve program: Appropriates \$162,940,000 as proposed by the Senate and authorizes \$325,000,000 for future programs instead of \$250,000,000 as proposed by the House and \$350,000,000 as proposed by the Senate. The conferees are of the opinion that, in determining individual payments, the Secretary should give careful consideration to the value of the land and the normal rental value as required by the Soil Bank Act.

Amendment No. 24--Acreage reserve program: Reported in disagreement. The managers on the part of the House intend to offer a motion to recede and concur with an amendment limiting payments to any one producer to \$3,000 instead of \$2,500 as



proposed by the House and \$5,000 as proposed by the Senate.

In the opinion of the conferees, acreage reserve contracts in 1958 should be limited to crops which would normally be planted on or before July 1, 1958, and all payments should be made on or before September 15, 1958. All contracts should require the participant farmer to cooperate in an effort to reduce his total production of the commodity or competitive commodity in the amount of the normal production of the acreage rented to the Government.

The Secretary is urged to reexamine the formula used to establish compensation rates paid to producers as provided by section 105 (a) of the Soil Bank Act to make certain that producer payments do not exceed fair and reasonable rates. The Secretary should provide State and county committees with clear-cut guides for setting local rates and should make certain that such rates are established in line with the intent of the act.

#### COMMODITY CREDIT CORPORATION

Amendment No. 25--Limitation on administrative expenses: Provides \$35,398,000 as proposed by the Senate instead of \$34,398,000 as proposed by the House. It is agreed by the conference committee that the additional \$1,000,000 should be placed in reserve to be used under the same conditions as the 7-percent reserve already provided by the bill.

Summary of Appropriations and REA and FHA Loan Authorizations, 1958,  
Compared with Appropriations and Loan Authorizations, 1957, and Budget Estimates, 1958  
[Note.--Amounts for 1957 include all supplemental appropriations to date, and are adjusted for comparability with appropriation structure proposed in the 1958 Agricultural Appropriation Act.]

| Agency or Item   | : Appropriations<br>and Loan<br>Authorizations,<br>1957 | : Budget<br>Estimates,<br>1958 | : Appropriations,<br>1958 | : Increase (+) or Decrease (-),<br>Appropriations, 1958<br>Compared with<br>Budget<br>Estimates,<br>1958 |
|--|---|--------------------------------|---------------------------|--|
| <b>ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES:</b>                             |   |                                |                           |  |
| Agricultural Research Service:   | :   | :                              | :                         | :  |
| Research, including research on  | :   | :                              | :                         | :  |
| foot-and-mouth disease .....   | \$53,786,000:   | \$60,875,000:                  | \$57,794,890:             | +\$4,008,890: -\$3,080,110   |
| Plant and animal disease and pest control .....                                  | :   | :                              | :                         | :  |
| Meat inspection .....  | a/ 29,744,000:  | 26,952,000:                    | 26,082,000:               | -3,662,000: -870,000   |
| State Experiment Stations (principally payments to States) .....                 | b/ 15,650,000:  | 18,718,000:                    | 16,826,000:               | +1,176,000: -1,892,000   |
| Animal disease laboratory facilities   | :   | :                              | :                         | :  |
| Extension Service (principally payments to States) .....                         | c/ 29,753,708:  | 34,253,708:                    | 30,603,708:               | +850,000: -3,650,000   |
| Agricultural Marketing Service:  | :   | :                              | :                         | :  |
| Marketing research and service .....   | 54,029,000:   | 64,130,000:                    | 60,235,540:               | +6,206,540: -3,894,460   |
| School lunch program .....   | 27,617,000:   | 31,928,500:                    | 29,551,600:               | +1,934,600: -2,376,900   |
| Foreign Agricultural Service .....   | 100,000,000:  | 100,000,000:                   | 100,000,000:              | - - -  |
| Commodity Stabilization Service:   | 3,750,000:  | 4,383,500:                     | 4,002,300:                | +252,300: -381,200   |
| Acres allotments and marketing quotas .....                                      | :   | :                              | :                         | :  |
| Sugar Act program .....  | 40,963,000:   | 43,000,000:                    | 40,715,000:               | -248,000: -2,285,000   |
| Federal Crop Insurance Corporation (Operating and administrative expenses) ..... | 67,600,000:   | 72,200,000:                    | 67,662,500:               | +62,500: -4,537,500  |
|  | 6,210,000:  | 7,300,000:                     | 6,376,700:                | +166,700: -923,300   |









|   |     |                |                |              |               |             |
|---|-----|----------------|----------------|--------------|---------------|-------------|
| Rural electrification .....                       | :j/ | 414,000,000:k/ | 179,000,000:k/ | 179,000,000: | -235,000,000: | - -         |
| Rural telephone .....                             | :l/ | 100,000,000:m/ | 60,000,000:m/  | 60,000,000:  | -40,000,000:  | - -         |
| Total, Rural Electrification .....                | :   | :              | :              | :            | :             | :           |
| Administration .....                              | :   | 514,000,000:   | 239,000,000:   | 239,000,000: | -275,000,000: | - -         |
| Farmers' Home Administration Loans:               | :   | :              | :              | :            | :             | :           |
| Farm ownership .....                              | :n/ | 50,000,000:    | 50,000,000:    | 24,000,000:  | -26,000,000:  | -26,000,000 |
| Farm housing .....                                | :   | 450,000,000:   | - - :          | - - :        | -450,000,000: | - -         |
| Farm operating (production and subsistence) ..... | :   | :              | :              | :            | :             | :           |
| Soil and water conservation .....                 | :   | 180,000,000:   | 180,000,000:   | 180,000,000: | - - :         | - -         |
| Total, Farmers' Home Administration .....         | :   | 5,500,000:     | 5,500,000:     | 5,500,000:   | - - :         | - -         |
| Total, Loan Authorizations .....                  | :   | 685,500,000:   | 235,500,000:   | 209,500,000: | -476,000,000: | -26,000,000 |
|   | :   | 1,199,500,000: | 474,500,000:   | 448,500,000: | -751,000,000: | -26,000,000 |

a/ Includes \$950,000 for Plant and Animal Disease and Pest Control provided in Second Urgent Deficiency Appropriation Act, 1957, to be derived by transfer from other appropriations of the Department.

b/ Includes \$250,000 for penalty mail cost to be derived by transfer as indicated in the Third Supplemental Appropriation Act, 1957.

c/ Includes \$514,000 for penalty mail costs to be derived by transfer as indicated in the Third Supplemental Appropriation Act, 1957.

d/ Appropriated in the Third Supplemental Appropriation Act, 1957 to be available until June 30, 1958.

e/ The Act contains a provision limiting payments to producers under the Conservation Reserve Program to not to exceed \$325,000,000 in any calendar year; Soil Bank Act provides \$450,000,000.

f/ Act includes advance authorization of \$500,000,000 for formulating and administering an acreage reserve program with respect to the 1958 crops.

g/ Includes \$23,400 for "Salaries and Expenses, Office of the Secretary of Agriculture" for cost of Federal Executive Pay Act in the Third Supplemental Appropriation Act, 1957.

h/ Includes supplemental authorization of \$2,000,000 in the Third Supplemental Appropriation Act, 1957.

i/ Act provides that \$1,000,000 in addition to not less than 7 percent of the balance of the limitation shall be placed in reserve for use only as necessary to carry out program operations.

j/ Includes supplemental loan authorization of \$200,000,000 provided in the Second Urgent Deficiency Appropriation Act, 1957. Including the carryover of funds from prior years it is estimated that electrification loans amounting to \$340,000,000 will be made in fiscal year 1957. The Appropriation Act for 1957 includes a reserve authorization of \$25,000,000 for use to the extent necessary for the expeditious and orderly development of the rural electrification program.

- k/ Includes a reserve authorization of \$20,000,000. Including the carryover of funds from prior years it is estimated that electrification loans amounting to \$280,000,000 will be made in fiscal year 1958.
- l/ Includes reserve authorization of \$20,000,000 for use to the extent necessary for the expeditious and orderly development of the rural telephone program. Including the carryover of funds from prior years, it is estimated that telephone loans amounting to \$80,000,000 will be made in fiscal year 1957.
- m/ Includes a reserve authorization of \$10,000,000. Including the carryover of funds from prior years, it is estimated that telephone loans amounting to \$80,000,000 will be made in 1958.
- n/ Includes supplemental authorization of \$26,000,000 included in the Third Supplemental Appropriation Act, 1957.





DEPARTMENT OF AGRICULTURE AND FARM CREDIT  
ADMINISTRATION APPROPRIATION BILL, 1958

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JULY 5, 1957.—Ordered to be printed

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Mr. WHITTEN, from the Committee of Conference, submitted the  
following

CONFERENCE REPORT

[To accompany H. R. 7441]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 10.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 14, 15, 17, 18, 19, 20, 23, and 25, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the figure stricken out and inserted by said amendment insert 4; and the Senate agree to the same.

Amendment numbered 1a:

That the House recede from its disagreement to the amendment of the Senate numbered 1a, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$57,794,890; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:



In lieu of the matter stricken out and inserted by said amendment insert *Provided, That the limitations contained herein shall not apply to \$1,955,000 for the construction, alteration, and repair of buildings, and acquisition of necessary land therefor by donation or exchange, or at a cost not to exceed \$5,000 for each facility; and the Senate agree to the same.*

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$29,853,708; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$30,353,708; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$49,220,000; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$50,715,000; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$14,116,700; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$4,002,300; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,660,660; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum of "\$73,545,000" named in said amendment insert \$72,545,000; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum of "\$1,500" named in said amendment insert \$2,500; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

In lieu of the sum of "\$350,000,000" named in said amendment insert \$325,000,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 12 and 24.

JAMIE L. WHITTEN,  
 FRED MARSHALL (except  
 as to amendment No. 24),  
 WILLIAM H. NATCHER,  
 CLARENCE CANNON,  
 H. CARL ANDERSEN,  
 WALT HORAN,  
 C. W. VURSELL,  
*Managers on the Part of the House.*  
 RICHARD B. RUSSELL,  
 CARL HAYDEN,  
 LISTER HILL,  
 A. WILLIS ROBERTSON,  
 By R. B. R.  
 ALLEN J. ELLENDER,  
 MILTON R. YOUNG,  
 KARL E. MUNDT,  
 HENRY DWORSHAK,  
*Managers on the Part of the Senate.*



## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

### DEPARTMENT OF AGRICULTURE

#### AGRICULTURAL RESEARCH SERVICE

Amendment No. 1—*Salaries and expenses*: Limits building alterations to 4 percent of the cost of the building instead of 3 percent as proposed by the House and 5 percent as proposed by the Senate.

Amendment No. 1a—*Research*: Appropriates \$57,794,890 instead of \$48,994,890 as proposed by the House and \$58,794,890 as proposed by the Senate. The amount agreed to provides an additional \$1,000,000 for utilization research over the House bill.

Amendment No. 2—*Research*: Provides language for construction, alteration, and repair of buildings and acquisition of necessary lands therefor.

The laboratory in Mississippi is for work in the general field of hydraulic engineering with special emphasis on the entrainment, transportation and disposition of sediment and shall be on the scale approved by the House and shall be located as heretofore requested and justified before the Appropriations Committees of the House and Senate by the Department of Agriculture to serve the needs of the Little Tallahatchie and Yazoo Watersheds as well as the general research needs of the watershed-treatment and flood-prevention programs of the Soil Conservation Service.

The conferees understand that such laboratory will be operated in cooperation with the University of Mississippi and Mississippi State College, in line with the general intent of the cooperative agreement entered into by the Department of Agriculture, the University of Mississippi, and Mississippi State College, which became effective August 1, 1956, for the operation of the present research project in this field.

The conferees agree that the laboratory designated for the Midwest in the Senate report should be constructed on the scale approved by the House and should be located in the Barnes-Aasted area of the North Central States as indicated in the House report and as supported by testimony of Department officials in subcommittee hearings held on September 24, 1956.

Amendment No. 3.—*Plant and animal disease and pest control*: Appropriates \$26,082,000 as proposed by the Senate instead of \$25,682,000 as proposed by the House.

Amendment No. 4—*Meat inspection*: Appropriates \$16,826,000 as proposed by the Senate instead of \$16,586,000 as proposed by the House. The conferees direct that the additional funds agreed to be used to provide additional inspectors for new meat-packing plants.

Amendments Nos. 5 and 6—*State experiment stations*: Appropriate \$30,353,708 instead of \$29,503,708 as proposed by the House and \$30,503,708 as proposed by the Senate.

#### EXTENSION SERVICE

Amendments Nos. 7 and 8—*Payments to States, Hawaii, Alaska, and Puerto Rico*: Appropriate \$50,715,000 instead of \$49,101,000 as proposed by the House and \$50,865,000 as proposed by the Senate. The additional funds agreed to above the House figure should be used to expand the work of the regular extension agents. Not to exceed \$250,000 of the increase should be used for the rural development program primarily in States which have not had such a program heretofore.

#### AGRICULTURAL MARKETING SERVICE

Amendment No. 9—*Marketing research and agricultural estimates*: Appropriates \$14,116,700 instead of \$14,041,700 as proposed by the House and \$14,141,700 as proposed by the Senate. The conference committee directs that the additional work relative to the weather crop reports and estimates of poultry laying flocks and egg production be performed within the funds approved.

Amendment No. 10—*Marketing services*: Appropriates \$14,274,900 as proposed by the House instead of \$14,324,900 as proposed by the Senate. The conferees are agreed that since the livestock market at Sioux Falls, S. Dak., has recently been placed in category I, it deserves treatment similar to other markets in this category.

The conference committee has agreed that the reference in the Senate committee report was not intended to preclude research on truck transportation but was intended to emphasize that care be exercised in the Department to make sure that research publications are impartial in dealing with the various methods of transportation, and to emphasize the need for a careful review of research projects undertaken as to essentiality and as to benefits to be derived therefrom by agricultural producers.

#### FOREIGN AGRICULTURAL SERVICE

Amendment No. 11: Appropriates \$4,002,300 instead of \$3,902,300 as proposed by the House and \$4,052,300 as proposed by the Senate. The conferees expect that the home-leave-travel needs of this Service will be met within the total funds approved.

Amendment No. 12: Reported in disagreement.

#### OFFICE OF THE SECRETARY

Amendment No. 13: Appropriates \$2,660,660 instead of \$2,640,660 as proposed by the House and \$2,664,060 as proposed by the Senate.



## SOIL AND WATER CONSERVATION

Amendment No. 14: Strikes House language establishing a combined appropriation for all soil and water conservation programs of the Department. Individual appropriations for all items involved are provided by amendments Nos. 15 through 22, which follow. The conferees are of the opinion that there are benefits to be derived from the consolidation of some or all of these appropriations, but feel that further consideration should be given to such a change. Accordingly, the Secretary is requested to study the matter and be prepared to discuss his findings with the House and Senate Appropriations Committees during consideration of the 1959 budget.

## SOIL CONSERVATION SERVICE

Amendment No. 15: Inserts heading.

Amendment No. 16—*Conservation operations*: Appropriates \$72,545,000 instead of \$73,545,000 as proposed by the Senate. The increase included in this amount is provided to furnish technical assistance to new soil conservation districts to be organized during the next year.

Amendment No. 17—*Watershed protection*: Appropriates \$25,500,000 as proposed by the Senate.

Amendment No. 18—*Flood prevention*: Appropriates \$13,220,000 as proposed by the Senate.

Amendment No. 19—*Water conservation and utilization projects*: Appropriates \$350,000 as proposed by the Senate.

## GREAT PLAINS PROGRAM

Amendment No. 20: Appropriates \$10,000,000 as proposed by the Senate.

## AGRICULTURAL CONSERVATION PROGRAM

Amendment No. 21: Appropriates \$212,000,000 as proposed by the Senate, and limits amount to be received by any one participant to \$2,500 as proposed by the House instead of \$1,500 as proposed by the Senate. It is agreed by the conference committee that the change in this limitation should not affect present or future allocations under the basic formula governing the distribution of funds to States under this appropriation.

The amount appropriated, together with the balance of \$38,000,000 available from the 1955 program, will provide the full \$250,000,000 authorized for the 1957 program.

The conferees believe that the conservation reserve program should not be used to curtail existing programs, particularly the agricultural conservation program. It is understood from the Department's justifications and testimony that the 1958 agricultural conservation program will be continued on the same basis as the 1957 program. In agreeing to the funds for this purpose in the accompanying bill, the conferees direct that no changes will be made in the 1958 agricultural conservation program to restrict eligibility requirements or delete cost-sharing practices included in the 1957 program. Floods and drought conditions in much of the Nation make it imperative that all 1957 program practices be continued in 1958.

It is to be noted that the 1957 conservation reserve program is participated in by only 81,130 people at an estimated cost of \$133,000,000, whereas the 1957 agricultural conservation program is participated in by 1,275,000 farmers at an estimated Federal cost of about \$250,000,000.

The conferees recommend that the Department revise its method of securing recommendations for practices covered by the proposed advance authorization for the 1959 agricultural conservation program by securing recommendations for cost-sharing practices from county and State committees at the time the 1958 program is formulated. This should result in economy of program administration, more timely recommendations for formulation of a national agricultural conservation program for 1959, and should enable the Department to present any changes proposed in the 1959 program to the Congress during appropriation hearings next year.

### SOIL BANK PROGRAMS

Amendment No. 22—*Conservation reserve program*: Appropriates \$162,940,000 as proposed by the Senate and authorizes \$325,000,000 for future programs instead of \$250,000,000 as proposed by the House and \$350,000,000 as proposed by the Senate. The conferees are of the opinion that, in determining individual payments, the Secretary should give careful consideration to the value of the land and the normal rental value as required by the Soil Bank Act.

Amendment No. 23: Changes heading.

Amendment No. 24—*Acreage reserve program*: Reported in disagreement. The managers on the part of the House intend to offer a motion to recede and concur with an amendment limiting payments to any one producer to \$3,000 instead of \$2,500 as proposed by the House and \$5,000 as proposed by the Senate.

In the opinion of the conferees, acreage reserve contracts in 1958 should be limited to crops which would normally be planted on or before July 1, 1958, and all payments should be made on or before September 15, 1958. All contracts should require the participant farmer to cooperate in an effort to reduce his total production of the commodity or competitive commodity in the amount of the normal production of the acreage rented to the Government.

The Secretary is urged to reexamine the formula used to establish compensation rates paid to producers as provided by section 105 (a) of the Soil Bank Act to make certain that producer payments do not exceed fair and reasonable rates. The Secretary should provide State and county committees with clear-cut guides for setting local rates and should make certain that such rates are established in line with the intent of the act.

### COMMODITY CREDIT CORPORATION

Amendment No. 25—*Limitation on administrative expenses*: Provides \$35,398,000 as proposed by the Senate instead of \$34,398,000 as proposed by the House. It is agreed by the conference committee that the additional \$1,000,000 should be placed in reserve to be used



under the same conditions as the 7 percent reserve already provided by the bill.

JAMIE L. WHITTEN,  
FRED MARSHALL (except  
as to amendment No. 24),  
WILLIAM H. NATCHER,  
CLARENCE CANNON,  
H. CARL ANDERSEN,  
WALT HORAN,  
C. W. VURSELL,  
*Managers on the Part of the House.*





United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 85<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 103

WASHINGTON, FRIDAY, JULY 5, 1957

No. 117

## Senate

### DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D. C., July 5, 1957.

*To the Senate:*

Being temporarily absent from the Senate, I appoint Hon. MIKE MANSFIELD, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,  
*President pro tempore.*

Mr. MANSFIELD thereupon took the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. Pursuant to the order of Tuesday last, the Senate will stand adjourned until noon on Monday.

Thereupon (at 12 o'clock and 12 seconds p. m.) the Senate adjourned, the adjournment being under the order previously entered, to Monday, July 8, 1957, at 12 o'clock meridian.



# House of Representatives

FRIDAY, JULY 5, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we rejoice that Thou art always seeking to draw us within the compass and circuit of Thy divine love.

May the assurance of Thy gracious providence and the memory of Thy goodness follow all the hours of this new day.

Grant that our beloved country, conceived in sacrifice and dedicated to liberty, may be faithful in its glorious mission of safeguarding the principles of democracy.

Inspire us with a faith that is strong and steadfast as we strive to preserve and perpetuate those freedoms and human rights which our forefathers fought so bravely to win.

Hear us in the name of the Prince of Peace. Amen.

## THE JOURNAL

The Journal of the proceedings of Tuesday, July 2, 1957, was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6191. An act to amend title II of the Social Security Act, as amended, to extend the period during which an application for a disability determination is granted full retroactivity, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7665. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. HAYDEN, Mr. RUSSELL, Mr. HILL, Mr. BYRD, Mr. SALTONSTALL, Mr. BRIDGES, and Mr. YOUNG to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7238) entitled "An act to amend the public assistance provisions of the Social Security Act so as to provide for a more

effective distribution of Federal funds for medical and other remedial care.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 943. An act to amend section 218 (a) of the Interstate Commerce Act, as amended, to require contract carriers by motor vehicle to file with the Interstate Commerce Commission their actual rates or charges for transportation service;

S. 944. An act to amend the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes";

S. 977. An act to suspend and modify the application of the excess land provisions of the Federal reclamation laws to lands in the East Bench unit of the Missouri River Basin project;

S. 1323. An act amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarder permit;

S. 1461. An act to amend section 212 (a) of the Interstate Commerce Act, as amended;

S. 1489. An act to amend title 14, United States Code, entitled "Coast Guard," with respect to warrant officers' rank on retirement, and for other purposes;

S. 1520. An act to amend an act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes";

S. 1971. An act to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act;

S. 2250. An act to amend the act of August 5, 1955, authorizing the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes;

S. 2261. An act to amend and extend the Public Buildings Purchase Contract Act of 1954, as amended, and the Post Office Department Property Act of 1954, as amended, and to require certain distribution and approval of new public building projects, and for other purposes;

S. 2448. An act to authorize payment to the Government of Denmark; and

S. Con. Res. 39. Concurrent resolution providing for the printing as a Senate document and for additional copies of the report of the Commission on Government Security.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 609. An act to amend the act of June 24, 1936, as amended (relating to the collection and publication of peanut statistics), to delete the requirement for reports from persons owning or operating peanut-picking or threshing machines, and for other purposes.

S. 749. An act for the relief of Loutfie Kalil Noma (also known as Loutfie Siemon Noma or Loutfie Noama); and

S. 1054. An act to extend the times for commencing and completing the construction of a toll bridge across the Rainy River at or near Baudette, Minn.

## SAN ANGELO FEDERAL RECLAMATION PROJECT—MINORITY VIEWS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr. RHODES] be permitted to submit minority views on the bill (H. R. 2147) to provide for the construction by the Secretary of the Interior of the San Angelo Federal reclamation project, Texas, and for other purposes, to be printed as part 2 of House Report No. 664.

The SPEAKER. Is there objection? There was no objection.

## DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL—CONFERENCE REPORT

Mr. WHITTEN submitted the following conference report and statement on the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes:

### CONFERENCE REPORT (H. REPT. No. 682)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 10.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 14, 15, 17, 18, 19, 20, 23, and 25, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the figure stricken out and inserted by said amendment insert "4"; and the Senate agree to the same.

Amendment numbered 1a: That the House recede from its disagreement to the amendment of the Senate numbered 1a, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$57,794,890"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert: "Provided, That the limitations contained herein shall not apply to \$1,955,000 for the construction, alteration, and repair of buildings, and acquisition of necessary land therefor by donation or exchange, or at a cost not to exceed \$5,000 for each facility"; and the Senate agree to the same.



Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$29,853,708"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$30,353,708"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$49,220,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$50,715,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$14,116,700"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,002,300"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,660,660"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum of "\$73,545,000" named in said amendment insert "\$72,545,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum of "\$1,500" named in said amendment insert "\$2,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum of "\$350,000,000" named in said amendment insert "\$325,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 12 and 24.

JAMIE L. WHITTEN,  
FRED MARSHALL  
(except as to amendment 24),  
WILLIAM H. NATCHER,  
CLARENCE CANNON,  
H. CARL ANDERSEN,  
WALT HORAN,  
C. W. VURSELL,

*Managers on the Part of the House.*

RICHARD B. RUSSELL,  
CARL HAYDEN,  
LISTER HILL,  
A. WILLIS ROBERTSON,  
ALLEN J. ELLENDER,  
MILTON R. YOUNG,  
KARL E. MUNDT,  
HENRY C. DWORSHAK,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

#### DEPARTMENT OF AGRICULTURE

##### *Agricultural Research Service*

Amendment No. 1—Salaries and expenses: Limits building alterations to four percentum of the cost of the building, instead of three percentum as proposed by the House and five percentum as proposed by the Senate.

Amendment No. 1a—Research: Appropriates \$57,794,890, instead of \$48,994,890 as proposed by the House and \$58,794,890 as proposed by the Senate. The amount agreed to provides an additional \$1,000,000 for utilization research over the House bill.

Amendment No. 2—Research: Provides language for construction, alteration, and repair of buildings and acquisition of necessary lands therefor.

The laboratory in Mississippi is for work in the general field of hydraulic engineering with special emphasis on the entrainment, transportation, and disposition of sediment, shall be on the scale approved by the House, and shall be located as heretofore requested and justified before the Appropriations Committees of the House and Senate by the Department of Agriculture, to serve the needs of the Little Tallahatchie and Yazoo Watersheds, as well as the general research needs of the watershed treatment and flood-prevention programs of the Soil Conservation Service.

The conferees understand that such laboratory will be operated in cooperation with the University of Mississippi and Mississippi State College, in line with the general intent of the cooperative agreement entered into by the Department of Agriculture, the University of Mississippi, and Mississippi State College, which became effective August 1, 1956, for the operation of the present research project in this field.

The Conferees agree that the laboratory designated for the Midwest in the Senate report should be constructed on the scale approved by the House and should be located in the Barnes-Aasted area of the North Central States as indicated in the House report and as supported by testimony of Department officials in subcommittee hearings held on September 24, 1956.

Amendment No. 3—Plant and animal disease and pest control: Appropriates \$26,082,000 as proposed by the Senate instead of \$25,682,000 as proposed by the House.

Amendment No. 4—Meat inspection: Appropriates \$16,826,000 as proposed by the Senate instead of \$16,586,000 as proposed by the House. The conferees direct that the additional funds agreed to be used to provide additional inspectors for new meatpacking plants.

Amendments Nos. 5 and 6—State experiment stations: Appropriate \$30,353,708 instead of \$29,503,708 as proposed by the House and \$30,503,708 as proposed by the Senate.

##### *Extension Service*

Amendments Nos. 7 and 8—Payments to States, Hawaii, Alaska, and Puerto Rico: Appropriate \$50,715,000 instead of \$49,101,000 as proposed by the House and \$50,865,000 as proposed by the Senate. The additional funds agreed to above the House figure should be used to expand the work of the regular extension agents. Not to exceed \$250,000 of the increase should be used for the rural development program primarily in

States which have not had such a program heretofore.

##### *Agricultural Marketing Service*

Amendment No. 9—Marketing research and agricultural estimates: Appropriates \$14,116,700 instead of \$14,041,700 as proposed by the House and \$14,141,700 as proposed by the Senate. The conference committee directs that the additional work relative to the weather crop reports and estimates of poultry laying flocks and egg production be performed within the funds approved.

Amendment No. 10—Marketing services: Appropriates \$14,274,900 as proposed by the House instead of \$14,324,900 as proposed by the Senate. The conferees are agreed that, since the livestock market at Sioux Falls, S. Dak., has recently been placed in category I, it deserves treatment similar to other markets in this category.

The conference committee has agreed that the reference in the Senate committee report was not intended to preclude research on truck transportation, but was intended to emphasize that care be exercised in the Department to make sure that research publications are impartial in dealing with the various methods of transportation, and to emphasize the need for a careful review of research projects undertaken as to essentiality and as to benefits to be derived therefrom by agricultural producers.

##### *Foreign Agricultural Service*

Amendment No. 11—Appropriates \$4,002,300 instead of \$3,902,300 as proposed by the House and \$4,052,300 as proposed by the Senate. The conferees expect that the home-leave travel needs of this Service will be met within the total funds approved.

Amendment No. 12—Reported in disagreement.

##### *Office of the Secretary*

Amendment No. 13—Appropriates \$2,660,660 instead of \$2,640,660 as proposed by the House and \$2,664,060 as proposed by the Senate.

##### *Soil and water conservation*

Amendment No. 14—Strikes House language establishing a combined appropriation for all soil and water conservation programs of the Department. Individual appropriations for all items involved are provided by amendments Nos. 15 through 22 which follow. The conferees are of the opinion that there are benefits to be derived from the consolidation of some or all of these appropriations, but feel that further consideration should be given to such a change. Accordingly, the Secretary is requested to study the matter and be prepared to discuss his findings with the House and Senate Appropriations Committees during consideration of the 1959 budget.

##### *Soil Conservation Service*

Amendment No. 15—Inserts heading.

Amendment No. 16—Conservation operations: Appropriates \$72,545,000 instead of \$73,545,000 as proposed by the Senate. The increase included in this amount is provided to furnish technical assistance to new soil conservation districts to be organized during the next year.

Amendment No. 17—Watershed protection: Appropriates \$25,500,000 as proposed by the Senate.

Amendment No. 18—Flood prevention: Appropriates \$13,220,000 as proposed by the Senate.

Amendment No. 19—Water conservation and utilization projects: Appropriates \$350,000 as proposed by the Senate.

##### *Great Plains program*

Amendment No. 20—Appropriates \$10,000,000 as proposed by the Senate.

##### *Agricultural conservation program*

Amendment No. 21—Appropriates \$212,000,000 as proposed by the Senate, and limits amount to be received by any one par-



participant to \$2,500 as proposed by the House instead of \$1,500 as proposed by the Senate. It is agreed by the conference committee that the change in this limitation should not affect present or future allocations under the basic formula governing the distribution of funds to States under this appropriation.

The amount appropriated, together with the balance of \$38,000,000 available from the 1955 program, will provide the full \$250,000,000 authorized for the 1957 program.

The conferees believe that the conservation reserve program should not be used to curtail existing programs, particularly the agricultural conservation program. It is understood from the Department's justification changes will be made in the 1958 agricultural Conservation Program will be continued on the same basis as the 1957 program. In agreeing to the funds for this purpose in the accompanying bill, the conferees direct that no changes will be made in the 1958 Agricultural conservation program to restrict eligibility requirements or delete cost-sharing practices included in the 1957 program. Floods and drought conditions in much of the Nation make it imperative that all 1957 program practices be continued in 1958.

It is to be noted that the 1957 conservation reserve program is participated in by only 81,130 people at an estimated cost of \$133,000,000, whereas the 1957 agricultural conservation program is participated in by 1,275,000 farmers at an estimated Federal cost of about \$250,000,000.

The conferees recommend that the Department revise its method of securing recommendations for practices covered by the proposed advance authorization for the 1959 agricultural conservation program by securing recommendations for cost-sharing practices from county and State committees at the time the 1958 program is formulated. This should result in economy of program administration, more timely recommendations for formulation of a national agricultural conservation program for 1959, and should enable the Department to present any changes proposed in the 1959 program to the Congress during appropriation hearings next year.

#### Soil-bank programs

**Amendment No. 22—Conservation reserve program:** Appropriates \$162,940,000 as proposed by the Senate and authorizes \$325,000,000 for future programs instead of \$250,000,000 as proposed by the House and \$350,000,000 as proposed by the Senate. The conferees are of the opinion that, in determining individual payments, the Secretary should give careful consideration to the value of the land and the normal rental value as required by the Soil Bank Act.

**Amendment No. 23—Changes heading.**

**Amendment No. 24—Acreage reserve program:** Reported in disagreement. The managers on the part of the House intend to offer a motion to recede and concur with an amendment limiting payments to any one producer to \$3,000 instead of \$2,500 as proposed by the House and \$5,000 as proposed by the Senate.

In the opinion of the conferees, acreage reserve contracts in 1958 should be limited to crops which would normally be planted on or before July 1, 1958, and all payments should be made on or before September 15, 1958. All contracts should require the participant farmer to cooperate in an effort to reduce his total production of the commodity or competitive commodity in the amount of the normal production of the acreage rented to the Government.

The Secretary is urged to reexamine the formula used to establish compensation rates paid to producers as provided by section 105 (a) of the Soil Bank Act to make certain that producer payments do not exceed fair and reasonable rates. The Secretary should provide State and county committees with clear-cut guides for setting local rates and

should make certain that such rates are established in line with the intent of the act.

#### Commodity Credit Corporation

**Amendment No. 25—Limitation on administrative expenses:** Provides \$35,398,000 as proposed by the Senate instead of \$34,398,000 as proposed by the House. It is agreed by the conference committee that the additional \$1,000,000 should be placed in reserve to be used under the same conditions as the 7-percent reserve already provided by the bill.

JAMIE L. WHITTEN,  
FRED MARSHALL  
(except as to  
amendment 24),  
WILLIAM H. NATCHER,  
CLARENCE CANNON,  
H. CARL ANDERSEN,  
WALT HORAN,  
C. W. VURSELL,

*Managers on the Part of the House.*

### EXTENDING AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. GATHINGS submitted the following conference report and statement on the bill (S. 1314) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes:

#### CONFERENCE REPORT (H. REPT. No. 683)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1314) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

"(1) Sections 109 and 204 of such Act are amended by striking out '1957' and substituting in lieu thereof '1958.'

"(2) Section 103 (b) of such Act is amended by striking out '\$3,000,000,000' and inserting in lieu thereof '\$4,000,000,000.'

"(3) Section 203 of such Act is amended by striking out '\$500,000,000' and inserting in lieu thereof '\$800,000,000.'

"(4) Section 104 (e) of such Act is amended by striking out the semicolon at the end thereof and adding a comma and the following: 'for which purposes not more than 25 per centum of the currencies received pursuant to each such agreement shall be available through and under the procedures established by the Export-Import Bank for loans mutually agreeable to said bank and the country with which the agreement is made to United States business firms and branches, subsidiaries, or affiliates of such firms for business development and trade expansion in such countries and for loans to domestic or foreign firms for the establishment of facilities for aiding in the utilization, distribution, or otherwise increasing the consumption of, and markets for, United States agricultural products: *Provided, however,* That no such loans shall be made for the manufacture of any products to be exported to the United States in competition with products produced in the United States or for the manufacture or production of any commodity to be marketed in competition with United States agricultural commodities or the products thereof. Foreign currencies may be accepted in repayment of such loans.'

"(5) Within sixty days after any agreement is entered into for the use of any foreign currencies, a full report thereon shall be made to the Senate and the House of Representatives of the United States and to the Committees on Agriculture and Appropriations thereof.

"(6) Section 304 of such Act is amended to read as follows:

"SEC. 304. (a) The President shall exercise the authority contained in title I of this Act (1) to assist friendly nations to be independent of trade with the Union of Soviet Socialist Republics and with nations dominated or controlled by the Union of Soviet Socialist Republics and (2) to assure that agricultural commodities sold or transferred thereunder do not result in increased availability of those or like commodities to unfriendly nations.

"(b) Nothing in this Act shall be construed as authorizing transactions under title I or title III with the Union of Soviet Socialist Republics or any of the areas dominated or controlled by the Communist regime in China."

And the House agree to the same.

HAROLD D. COOLEY,  
W. R. POAGE,  
E. C. GATHINGS,  
AUGUST H. ANDRESEN,  
WILLIAM S. HILL,

*Managers on the Part of the House.*

ALLEN J. ELLENDER,  
OLIN D. JOHNSTON,  
SPESSARD L. HOLLAND,  
JAMES O. EASTLAND,  
HUBERT H. HUMPHREY,  
GEORGE D. AIKEN,  
MILTON R. YOUNG,  
EDWARD J. THYE,  
BOURKE D. HICKENLOOPER,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing positions of the two Houses on S. 1314, to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The action of the House was on the bill H. R. 6974 and after adoption of this bill in the House the Senate bill was amended by striking out all after the enacting clause and substituting the provisions of the House bill.

As passed by the Senate, S. 1314 contained four provisions, three of which were identical with similar provisions in the House amendment.

#### MATTERS IN AGREEMENT

The three provisions with respect to which the Senate bill and the House amendment were identical are: (1) Extension of the termination date of titles I and II of the act from June 30, 1957, to June 30, 1958; (2) an increase of one billion dollars in authority to dispose of surplus commodities under title I of the act; and (3) an increase of three hundred million dollars in the allowable disposals for famine relief and other assistance under title II of the act. With respect to these three provisions, the compromise substitute agreed upon by the conferees and reported herewith is identical with the provisions of both the Senate bill and the House amendment.

#### BARTER WITH SATELLITE COUNTRIES

The fourth provision in the Senate bill was the repeal of section 304 of the act which had been construed to prohibit barter transactions with the so-called satellite countries. The House bill contained no such provision.

With respect to this matter, the conference has agreed upon a compromise position which will permit barter transactions (but







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued July 10, 1957  
For actions of July 9, 1957  
85th-1st, No. 119

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HIGHLIGHTS: House agreed to conference reports on: Agricultural appropriation bill. Extension of Public Law 480. House passed compulsory poultry inspection bill. House committees reported humane slaughter bill, and mutual security authorization bill. Sen. Mundt urged united approach to solve farm problem.

## HOUSE

1. AGRICULTURAL APPROPRIATION BILL FOR 1958. Agreed to the conference report on this bill, H.R. 7441. (pp. 10002-08) Agreed to the Senate amendment providing that provisions of the act of August 1, 1956, and provisions of a similar nature in appropriation acts of the State Department for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service. (pp. 10003-05) Agreed to a substitute amendment to limit payments to any one producer under the acreage reserve program to \$3,000 with respect to 1958 crops. (pp. 10005-08) See Digest 117 for other items of interest.
2. FOREIGN TRADE; SURPLUS DISPOSAL. Agreed to the conference report on S. 1314, to extend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) for one year, to increase the authorization under Title I from \$3 billion to \$4 billion, and to authorize \$300 million addition under Title II for famine relief. (p. 10052) See Digest 117 for other provisions of the bill agreed to.
3. POULTRY INSPECTION. Passed 93 to 23, with amendments H.R. 6814, to provide for the compulsory inspection by this Department of poultry and poultry products. (pp. 10008-52)



Agreed to the following amendments:

- By Rep. Watts, to strike out Sec. 11, on injunction proceedings, which vested in the U.S. district courts jurisdiction to enforce and to prevent violations under the bill. (p. 10047)
- By Rep. Watts, to make mandatory, rather than permissive, certain exemptions from the provisions of the bill. (p. 10047)
- By Rep. Watts, to exempt from the provisions of the bill poultry producers who sell poultry direct to restaurants, hotels and boarding houses for use in their own dining rooms in the preparation of meals for sales direct to consumers. (p. 10047)
- By Rep. Hoffman, to provide that the bill shall not be construed as invalidating any provision of State law which could be valid in the absence of the bill, unless there is a direct and positive conflict between an express provision of the bill and such provision of State laws so that the two cannot be reconciled or consistently stand together. (p. 10050)
- Rejected, 27 to 56, an amendment by Rep. Matthews, Fla., to prohibit Federal inspection in major poultry consuming areas unless specifically requested to do so by a State agency having responsibility for poultry inspection laws. (pp. 10047-50)

4. HUMANE SLAUGHTER. The Agriculture Committee reported with amendment H.R. 8308, to provide for the use of humane methods in the slaughter of livestock (H. Rept. 706). p. 10059
5. MUTUAL SECURITY. The Foreign Affairs Committee reported with amendment S. 2130, the mutual security authorization bill for 1958 (H. Rept. 776). p. 10059
6. PUBLIC LANDS. The Interior and Insular Affairs Committee reported with amendment H.R. 8054, to provide for the leasing of oil and gas deposits in lands beneath inland navigable waters in Alaska (H. Rept. 774). p. 10059
- Received from Interior a proposed bill to amend the Alaska Public Works Act to "clarify the authority of the Secretary of the Interior to convey federally owned land utilized in the furnishing of public works"; to Interior and Insular Affairs Committee. p. 10059

#### SENATE

7. FARM PROGRAM. Sen. Mundt urged the farm organizations to unite in an approach towards solving the farm problem, and inserted an editorial, "Farm Meeting Step in Right Direction." pp. 9966-7
- Sen. Humphrey inserted a policy resolution by the National Catholic Rural Life Conference urging wiser use of lands chosen for non-agricultural uses, a study of the food distribution system, and of new industrial uses for farm products. pp. 9960-1
8. FORESTS. The Interior and Insular Affairs Committee reported without amendment H.R. 7522, to extend for two years the timber removal rights of the McCloud Lumber Co. in Shasta National Forest (S. Rept. 598). p. 9962
9. SMALL BUSINESS. The Banking and Currency Committee reported an original bill, S. 2504, to extend the Small Business Administration for one year and increase its loan authorization an additional \$75 million (S. Rept. 597). Sen. Clark discussed the bill. pp. 9962, D627
- Sen. Carroll inserted a newspaper article, "Small Business Study," on the importance of credit for small businesses. p. 9997



gress, are determined to obtain the information as to what has happened to the 450 boys who are not accounted for.

Mr. JUDD. Should it not be made clear, for the sake of the relatives of these men, that we do not charge or expect that these 450 American prisoners of the Communists, or any substantial number of them, are still alive? We do know that at one time these men were in the hands of the Communists and alive. We have seen pictures of some. The Reds themselves broadcast over the radio statements allegedly made by some. The Communists forwarded letters to the families of some, written in their own handwriting. Their buddies who were released, have reported them as alive and well in Communist prison camps.

Now the Communists claim they do not know anything about them. They will not even admit they ever had them as prisoners. Any decent kind of government would at least give an accounting of the men—what happened to them, whether they are alive or dead, and the circumstances surrounding their fate.

Mr. ZABLOCKI. That is true. It is clear that most, if not all, of the 450 may be dead. But I believe we should demand an accounting as to how they died, where they died and where they are buried.

Mr. JUDD. Especially since the Communist Chinese are wanting to be accepted into civilized society under the pretense of being law abiding. One good way to show it would be at least to start abiding by the Geneva Convention on Prisoners of War. The world waits for one humane deed, not just protestations, from the Communists.

Mr. ZABLOCKI. Mr. Speaker, I feel very strongly about House Resolution 292 which is before us today, and I am confident that it will receive unanimous approval of the membership of this House.

The resolution expresses the sense of the Congress with respect to the 450 American prisoners of war taken prisoner by the Communists during the Korean conflict, and not accounted for, or released, to date.

The effect of this resolution is to serve notice on the Communists that their continued flouting of the elements of human decency and conduct, as well as their violation of all conventions dealing with the treatment of prisoners of war, are firmly condemned by the representatives of the American people.

The resolution goes further than that. It calls upon the Executive to continue to make the return of, or a satisfactory accounting for, these 450 men, a primary objective of the foreign policy of the United States.

Mr. Speaker, our unanimous approval of this resolution is the least we can do—we must do—in justice to these men. They met with cruel fate in the service of our country, while upholding the principles in which we believe against the evil tide of Communist barbarism. They fell into the hands of the Communists and, to date, we do not know how many of them are rotting in Communist prisons, and how many may have perished at the hands of their captors.

In this regard, I want to state that, personally, I am not at all convinced

that our executive branch has pursued this matter with the vigor, determination, and energy it should have received. The fate of these men, even their numbers, have been kept quiet. It would almost appear as if the administration was more anxious to keep the news of Communist foul deeds away from the world, than to broadcast the fate of these men as a somber warning to the American people and to the free peoples everywhere.

The treatment accorded to these American prisoners of war by the Chinese Communists, and the blunt refusal of the Reds to account for these men even when they were faced with evidence showing that these American servicemen were in their hands, shows us what kind of an enemy we are faced with.

It negates the Communist pronouncements about peaceful coexistence, disarmament, and alleged good will and shows that we are dealing with an evil system—with a monstrous machine which will disregard any conventions, any agreements, almost as soon as they are made.

Under the terms of the armistice agreement entered into by the Communists, we have the right to demand an accounting for the missing American servicemen who we know have fallen into Communist hands during the Korean conflict.

We want an accounting for these men, and their release. This must be a primary objective of our foreign policy. We must pursue this objective in fairness to the parents of the servicemen, their wives and children, whose anguish has known no bounds since their disappearance.

We must pursue this objective in fairness to ourselves. We have spent billions of dollars in fighting Communism, in building strong forces against Communist advance. We have urged other nations, even demanded it of them, that they stand up to the Red menace and fight it with us.

How is it, then, that after all this sacrifice, all this determined effort, we can sit still and talk about trade with the Reds, coexistence, and disarmament, while 450 American soldiers have disappeared behind the Red Bamboo Curtain and have not been accounted for.

I do not mean to reflect in what I have said the efforts of the man who, during the last 2 years, has expended tremendous effort and exercised commendable patience in negotiating with the Communists, trying among other things to obtain an accounting for those 450 men. Ambassador U. Alexis Johnson has, I believe, done his best. The fact remains, however, that one man cannot do this job alone. He must be vigorously supported by the entire administration, armed with the moral indignation of the American people expressed by their Representatives in Congress assembled, and fortified by the pressure of world opinion.

Ambassador Johnson is scheduled to renew his conferences with the Communists on July 11. Let us arm him for the task which he faces by unanimously passing this resolution, and by calling upon the free world to demand the re-

lease, and an accounting for, of all of the men of the U. N. command in Korea who are still missing, and who have been reported to be in Communist hands.

We have fought bravely over the decades all over the globe for worthy causes in which we believed. Our men have died, have fallen prisoners of war, in those battles. We cannot forget them, consign them to oblivion whether they are still living or dead. We must expend our every effort to obtain an accounting for, and a release of, the 450 American men who were known to be in the hands. They have earned every right to their country's supreme effort on their behalf.

Mr. WRIGHT. Mr. Speaker, the 450 American military personnel taken prisoner by the Communists during the Korean war and neither repatriated nor accounted for by the Communists cannot and must not be forgotten by this Nation nor by the world.

The long, uncertain anguish of their families cries out not only for our sympathy but for our unremitting effort to secure an accounting of their fate.

For more than 4 agonizing years those who hold them dear, have sought in vain some word of their whereabouts, of their well-being, of whether they live, or lie in unmarked graves on some Chinese hillside, or linger in a subhuman state of semiawareness in a Red Chinese prison, the prey of brainwashing practitioners.

Reports of their having been seen alive in Chinese custody have filtered back through their repatriated buddies from the prisoner of war camps. That some of them lived, at least for a time, in the hands of their captors seems indisputable. Yet the ominous silence of the Chinese government is deafening.

That a government so patently unresponsive to human values should now be seeking respectability in the eyes of the world makes it the more imperative that we should renew our demands for a full accounting and for prompt repatriation of any of the 450 who live.

It once was said that, wherever an American goes on the earth, the American flag goes with him as a guaranty of his freedom and right treatment. That is one of the precious things of American citizenship. It must not be forsaken, nor must these 450 be forsaken or forgotten by their Government.

Mr. LANE. Mr. Speaker, I too, wish to associate myself with the members of the committee in their wholehearted support of this resolution offered today for our consideration.

In the first place, I wish to congratulate Congressman ZABLOCKI and his Subcommittee on the Far East and the Pacific for programming this matter for hearing before the committee on May 27. To me, this is a very important piece of legislation and one that merits the serious thoughts of the American people. I was privileged to appear before the subcommittee in behalf of my bill, House Concurrent Resolution 120, which is quite similar to the committee resolution, House Resolution 292.

I can only reiterate my remarks made at that important hearing in urging action in concentrating attention in liberating American hostages held captive by Red China.



From various reliable sources we piece together the tragedy of the hundreds of Americans taken prisoner during the Korean war, who are still held as captives by the Chinese Reds in cynical and contemptuous defiance of the Korean truce agreement.

The Communist mentality delights in crushing human rights, and in betraying its international agreements.

It tries, by a combination of confusion, mendacity, and exasperating delays, to "brainwash" individuals and governments into submission.

Quietly, but persistently, through the winding trails of international diplomacy, our Government is trying to effect the release of these men.

This is the traditional way of negotiation, that has its advantages and its pitfalls.

The unscrupulous Reds, schooled in the devious art of blackmail, are plainly trying to make a deal.

They may repatriate, or account for, some of these American prisoners, in exchange for concessions that would dishonor us before mankind.

That is the crux of the dilemma they have contrived.

They know that we will never rest until our fellow citizens are liberated. But they hope to wear us down so that we will abandon the moral position whereby we insist that these men be released because they are held illegally and, in securing their release by concessions, compromise ourselves beyond redemption.

What is the alternative?

There was a time when we were unafraid. In clear and explicit terms we would set a date by which these men must be released or else we would take positive action to free them.

With an eye to other dangers in the world of today, we practice caution.

We try, through the young and feeble influence of the United Nations, to reason with the Reds, and induce them to observe the standards of international law and order.

Meanwhile, our men are rotting in Communist compounds.

Perhaps the most oppressive punishment they are suffering is despair at the thought that their own Government may be only going through the motions on the merry-go-round of diplomatic notes and inconclusive conferences.

We soberly recognize the fact that the long-range hope of the world is an organization like the United Nations that will grow up to its responsibilities.

But how long will that take?

And what happens to American prisoners of war while the talks go on year after year?

I do not advocate an ultimatum to Red China demanding the release of these men and threatening to take military action if they fail to do so by a given date. I am sure that those most concerned, the relatives and friends of these unhappy prisoners would not expect us to take such drastic action even for a cause that is right and just.

But we are not satisfied with the results obtained to date.

Conferences and notes have bogged down in the weariness of routine. The Communists calculate that we will tire and forget. They see little mention of this issue in the American press. They believe that our moral imperatives will slacken, and end up in appeasement.

That is why I consider this resolution as essential to counteract certain false assumptions on the part of the Red Chinese regime.

I believe that it will strengthen the hand of our State Department by revealing through congressional action, the determination of the American people to press for the release of these men without shabby compromise.

Only on this firm moral basis, supported by American public opinion, can we convince the Chinese Reds that their policy of evasion, delay, and violation of the Korean armistice agreement, is bound to fail.

The United States of America has never acquiesced in actions by foreign nations which illegally deprive our citizens of their liberty.

And never will.

I am confident that the forthright and sustained adherence to these principles, as reiterated in this House resolution will help to break the present stalemate, and expedite the release of those Americans still held as prisoners of war by the Chinese Reds.

By serving notice on them by this resolution: "That it is the sense of the Congress that the President, through his own offices, and those of the Secretary of State and the Secretary of Defense, should continue to make the return of, or a satisfactory accounting for, the 450 American prisoners of war, a primary objective of the foreign policy of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER. Without objection, the resolution is agreed to.

There was no objection.

A motion to reconsider was laid on the table.

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 5, 1957.)

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman from Mississippi yield to me to ask a question of him at this point?

Mr. WHITTEN. I yield.

Mr. H. CARL ANDERSEN. Mr. Speaker, I would like to ask the chairman of our subcommittee a question or two to clarify some language in the conference report. I have reference to the language in the last paragraph on page 6 which has to do with the agricultural conservation program.

The wording of that paragraph appears to be quite restrictive and I hope that was not the intent. This is a farmer-administered program and the last thing we want to do, in my judgment, is to so legislate the program as to deny farmers the right they have always had to participate in the development of their own program. In addition, some of us are preparing to ask the Department to consider a program or practice change to meet the special conservation problems in the flood areas of Minnesota, Oklahoma, Arkansas, Texas, Louisiana, and other States. The door would be shut in our faces if this paragraph was interpreted to mean that the farmer-elected county committees and the Department of Agriculture could not deviate in any way from the 1957 program. Conservation needs change from year to year, and so do the practices. The flexibility of this program has been one of its most valuable assets and one which should not be impaired.

I hope this paragraph does not mean that the program is frozen, so to speak, for another year. That would be a bad thing for farm people and for American agriculture, and I would like the assurance of our chairman that this is not the case. I would like to ask the gentleman from Mississippi [Mr. WHITTEN] if it is not the intent of the conferees that no major or substantial changes be made in the 1957 program for the year 1958, but that we do leave sufficient flexibility and discretion in the hands of those administering the program so they can meet the demands of changing conditions.

Mr. WHITTEN. May I say to my colleague, the gentleman from Minnesota, that we certainly intend to retain to the farmers and to the local level, the right to make determinations within the overall catalog as to the practices which would apply to that section. The intent of the language is to announce that in the opinion of the conferees the same type of practices should be available to the States and at the local level in line with the justification before our respective committees and the prohibition is against the deletion at the Washington level of certain practices. It does not in any way affect the right at the local and State levels to make determinations



as to what practices suit their own purposes as they have had the right to determine in years past.

The gentleman from Minnesota is thoroughly familiar with the fact that each year we have a catalog of allowable practices issued by the Department. This directive in the report calls for a continuation of the program by the Department next year on the same basis as last year. It directs that the 1957 catalog be kept intact, but it in no way restricts farmers with respect to selection of local practices, from those included in the catalog.

In recent days there have been some reports that substantial deletions were planned in this program for 1958. It was to lead off deletions which came after our hearings were held that we put this language in the report. We were attempting to see that the program was kept available to farmers next year to the full extent it has been this year.

In the last paragraph we attempt to provide a procedure which, if followed, would prevent future misunderstandings from arising.

I thank the chairman.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BASS of Tennessee. Is the gentleman familiar with a directive or memorandum from the Assistant Secretary, Mr. Peterson, directed to Mr. Paul Koger, administrator of the agricultural conservation program, which in effect deletes several of the soil conservation activities?

Mr. WHITTEN. I have heard of that directive, or what purported to be a directive, but I have not seen any official copy. I think that was written without knowledge on the part of the Department and the language which is in the conference report. I feel sure the conference report will have the support of the Department and that any such directive will be withheld.

Mr. BASS of Tennessee. Also the directive, according to the information I have, is in direct opposition to the stated practice or the proposed practice for 1958, as given to your committee by officials of the Department.

Mr. WHITTEN. It is, and as a result of the reported order, that language was included in our report.

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a list of the deletions in the program which would be brought about if this directive of Secretary Peterson is allowed to be put into effect. It would have the effect of deleting 84 percent of the soil conservation program for the State of Tennessee. I certainly hope that this report is strong enough to keep this directive from being put into effect by the Department of Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

(The matter referred to follows:)

LIST OF CONSERVATION PRACTICES DELETED FROM THE 1958 AGRICULTURAL CONSERVATION PROGRAM BY ASSISTANT SECRETARY E. L. PETERSON'S MEMORANDUM OF JUNE 28 TO ACP ADMINISTRATOR PAUL KOGER

A-1: Initial establishment of a permanent vegetative cover in orchards and vineyards for control of erosion.

A-3: Establishment of additional acreages of vegetative cover in crop rotation to retard erosion and to improve soil structure, permeability, or water-holding capacity.

A-4: Initial treatment of farmland to permit the use of legumes and grasses for soil improvement and protection. (The basic liming practice.)

B-8: Installing pipelines for livestock water as a means of protecting vegetative cover.

C-3: Initial establishment of orchards, vineyards, bush fruits, strawberries, or perennial vegetables on the contour to prevent erosion.

C-13: Leveling land for more efficient use of irrigation water and to prevent erosion.

D-1: Establishment of vegetative cover for winter protection from erosion.

D-2: Establishment of vegetative cover for summer protection from erosion.

D-3: Establishment of vegetative cover for green manure and for protection from erosion.

The following conservation practices under the 1958 agricultural conservation program were to have various restrictions imposed upon them from the standards which had existed under the 1957 program.

A-2: Initial establishment of a permanent vegetative cover for soil protection or as a needed land-use adjustment.

A-7: Initial establishment of a stand of trees or shrubs on farmland for erosion control, watershed protection, or forestry purposes.

B-1: Improvement of an established vegetative cover for soil or watershed protection.

B-10: Improvement of a stand of forest trees for erosion control, watershed protection, or forestry purposes.

C-9: Constructing permanent open drainage systems to dispose of excess water.

C-12: Reorganizing irrigation systems to conserve water and prevent erosion.

F-2: County conservation practices.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. MAHON. I have been concerned about the soil bank program. I know the committee has had a very serious problem to consider here. As I understand it, you have a limitation on payments that can be made under the acreage reserve of \$3,000?

Mr. WHITTEN. That is correct.

Mr. MAHON. There was no limitation for the 1957 crop year?

Mr. WHITTEN. That is my understanding insofar as the law is concerned.

CALL OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 134]

|               |             |               |
|---------------|-------------|---------------|
| Abernethy     | Diggs       | Kluczynski    |
| Adair         | Donohue     | McConnell     |
| Allen, Calif. | Dorn, N. Y. | Madden        |
| Anderson,     | Fallon      | Mailliard     |
| Mont.         | Fogarty     | Meador        |
| Bass, N. H.   | Frazier     | Miller, Md.   |
| Beamer        | Fulton      | Miller, N. Y. |
| Biltch        | Garmatz     | Minshall      |
| Bonner        | Granahan    | Montoya       |
| Bowler        | Gray        | Multer        |
| Boyle         | Green, Pa.  | O'Konski      |
| Brownson      | Griffiths   | O'Neill       |
| Buckley       | Gwinn       | Philbin       |
| Byrne, Ill.   | Hardy       | Polk          |
| Byrne, Pa.    | Harvey      | Powell        |
| Celler        | Hays, Ark.  | Rains         |
| Chelf         | Healey      | Robeson, Va.  |
| Christopher   | Hollfield   | Shelley       |
| Chudoff       | Holtzman    | Sieminski     |
| Coad          | Hosmer      | Taylor        |
| Colmer        | Ikard       | Teller        |
| Cunningham,   | Jennings    | Thompson, La. |
| Nebr.         | Jones, Mo.  | Thornberry    |
| Davis, Tenn.  | Kearney     | Tuck          |
| Dawson, Ill.  | Kearns      | Utt           |
| Delaney       | Kilburn     | Willis        |
| Dennison      | Kirwan      | Winstead      |

The SPEAKER. On this rollcall 351 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON EDUCATION AND LABOR

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that the Subcommittee on Education of the Committee on Education and Labor may sit this afternoon despite the fact that the House is in session, during general debate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: Page 10, line 8, insert the following: "Provided further, That provisions of the act of August 1, 1956 (70 Stat. 890-892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service."

Mr. WHITTEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. WILSON].

(Mr. WILSON of Indiana asked and was given permission to revise and extend his remarks and include a memorandum.)

Mr. WILSON of Indiana. Mr. Speaker, I would like to speak about a development in connection with the agri-



cultural conservation program which disturbs me considerably. On June 28 Assistant Secretary of Agriculture E. L. Peterson directed a memorandum to Paul Koger, Administrator of the Agricultural Conservation Program Service, dealing with the proposed 1958 national agricultural conservation program. As the House knows, a national handbook for the ACP is published each year in the Federal Register just as soon as the President signs the Department of Agriculture appropriation bill in which funds are authorized for the program for the following year. The States then proceed to formulate their individual programs within the framework of the national program.

Through the years it has become customary for those in direct charge of the ACP to submit the docket to the Secretary of Agriculture based on the recommendations of the respective State committees within the overall policy limitations as outlined by the departmental officials before the House and Senate Appropriations Subcommittees handling the agricultural bill. According to the letter from Mr. Peterson to Mr. Koger, which I am inserting in the RECORD at the end of my comments, Mr. Koger submitted the 1958 ACP proposal to Mr. Peterson on June 6. I have been reliably informed that instead of telling Mr. Koger from June 6 until June 28 that his proposal was not in line with the departmental policies and therefore should be revised, Mr. Peterson summarily handed Mr. Koger on June 28 a lengthy memo with specific orders to make deletions and changes. The memo closed with:

I will be glad to approve the proposed docket when amended to incorporate the suggestions set forth above.

While this in itself is peculiar administrative procedure and shows a strong lack of confidence by Secretary Peterson in Mr. Koger, it is not the point with which I am mostly concerned. Through the years there has been considerable controversy over the agricultural conservation program. We have had lengthy debate on this floor not only as to the merits of this program but as to the scope that should be authorized each year. While it originally started out at \$500 million a year and at one time dropped to \$150 million a year, the amount has recently been stabilized at \$250 million a year. Furthermore, the program itself has had its scope fairly well stabilized in recent years. Although I was certain that there had been no indication of any controversy either as to the amount of funds or the scope of the program when the agricultural appropriation bill appeared before the full Appropriations Committee, of which I am privileged to be a member, I decided to review the hearings before the subcommittee. Both Mr. Peterson, the Assistant Secretary of Agriculture, who is in direct charge of the Department's conservation agencies, and Mr. Koger, Administrator for the ACP, indicated in their supporting statements for the President's budget request for \$250 million for the 1958 agricultural conservation

program that the program for 1958 would be continued without any basic change.

The following quote is taken from Mr. Peterson's statement which appears on page 1863 of the hearing:

Mr. Chairman and members of the committee, it is a pleasure to discuss the budget request of the Agricultural Conservation Program Service. This program of cost sharing with land owners or operators for the application of practices to protect their soil resources is, we believe, an important one. \* \* \* The farmer or rancher cannot, or will not, always be able to exercise the judgments required by considerations of conservation because of the more immediate impact upon him and his family of economic circumstances. \* \* \* In all the many circumstances of land used there is, however, a public interest that the productive capacity of the land be retained and improved. Foreseeable needs for water, food, fiber, wood, and materials for industry place urgencies upon the application of conservation practices and uses to our land area, greater than are likely to be accomplished without public effort. ACP is a part of that effort which now covers a wide range of activity—education, research, technical assistance, credit and cost sharing.

Following Mr. Peterson's presentation ACP Administrator Koger explained the operations of the 1957 program and the proposals for 1958. At no time during any of the presentations by the United States Department of Agriculture officials was there any serious question concerning the present ACP. The report showed that over 1,140,000 farms throughout the Nation had participated in the 1955 ACP and that the efforts of the Department were being directed toward making the program more effective.

For example, Mr. Koger said:

Most of the other changes are designed to provide greater authority for local adaptation of program and practice provisions, fully within the general program principles, including the establishment of rates of cost sharing considered necessary by State and county groups to get the desired level of performance of needed conservation.

At a later point Mr. Koger said:

It is contemplated that the 1958 program will be continued at the same level and scope as the program authorized for 1957.

Similar statements were made before the Senate Appropriations Subcommittee on Agriculture with no indication of any kind being given that any major change would be made either in the practices or the payment rates. In view of these statements it is extremely difficult for me to understand how Assistant Secretary Peterson can now send a memorandum to the Administrator of the Agricultural Conservation Program and ask him to delete nine of the soil building practices which have proven to be the most popular with the more than a million farmers who are participating in this program. This memorandum also drastically restricts several other practices.

According to the Department of Agriculture's participation figures for 1955, the last year for which the reports are available, the practices which Mr. Peterson directed Mr. Koger to eliminate from the 1958 agricultural conservation program were those used by Indiana

farmers to earn 76 percent of their payments during that year.

In other words, Mr. Peterson would now eliminate 76 percent of the agricultural conservation program in the State of Indiana without giving us any warning, without consulting with the Indiana State Committee, without consulting with the democratically elected county committeemen in all Indiana's counties, and without advising Congress. I am reliably informed that between 50 and 60 percent of the present ACP program nationwide would have been eliminated if this memorandum were allowed to stand. For example, 83 percent of the program in Vermont would be eliminated, 92 percent in the State of Alabama, 82 percent in the State of Illinois, 62 percent in Minnesota, and so forth. I can't help wondering of the original plan to bring the agricultural appropriation bill before the House Friday, June 28, did not figure in Mr. Peterson's plan of not issuing his drastic memorandum to Mr. Koger until late that afternoon. If the Congress had passed the agricultural appropriation bill that day, it would have been extremely difficult to have prevented Mr. Peterson carrying out his plan to greatly restrict the agricultural conservation programs without clearing them with Congress.

It is indeed fortunate that copies of this secret memorandum were made available to the conferees early last week and that they were able to include in their report last Friday the language which precludes Mr. Peterson from carrying out his attempt to ruin the agricultural conservation program. I, for one, would like to raise the question as to whether Mr. Peterson's efforts not only to mislead Congress but to circumvent its wishes aren't sufficient justification to ask for his resignation. He seems to be totally incapable of understanding our democratic practices of government and apparently believes that any means to secure the executive branch's wishes are justifiable.

I want to compliment the conferees for seeing to it not only that Mr. Peterson's drastic changes in the 1958 program cannot be put into effect, but also for directing that any changes in connection with the 1959 program be presented to the Congress at the time the authorization for the 1959 program is justified.

#### PROPOSED 1958 NATIONAL AGRICULTURAL CONSERVATION PROGRAM

PAUL KOGER,

Administrator, Agricultural

Conservation Program Service:

The proposed 1958 agricultural conservation program which you transmitted to this Office on June 6, 1957, has been carefully reviewed. I believe some revisions are desirable.

It is requested that you proceed immediately with the modifications as indicated herein. A number of changes are for the purposes of clarification of intent. Others are substantive with respect to the practice and cost-sharing provisions of the proposal.

We have previously discussed those features of the program, such as drainage and irrigation, which would without limitations tend to result in new land being brought into production. I have concurred in principle, but with some modification in wording, with the limitation you have proposed.



There were proposed, however, other practices largely of a temporary or recurring nature which resulted in the stimulation of agricultural production at a time when other programs of the Department are aimed at reducing the production of surplus crops. To be consistent with such program objectives, it is necessary to modify the 1958 agricultural conservation program. Further, it is not considered proper policy to provide cost sharing for practices which are normally a part of good farm or range management.

In keeping with this position, the comments hereafter are referenced to specific paragraphs of the proposal.

1101.901: General program principles, item (g). The last sentence of this paragraph should be changed to "the State and county programs shall specify the life span of eligible practices. Cost shares are not applicable after they are initially utilized to undertake a practice during the normal life span."

1101.903: County funds. This paragraph should be stated as follows: "The State committee will allocate the funds available for conservation practices among the counties within the State consistent with the needs for enduring conservation in the counties within the State and will give particular consideration to the furtherance of watershed conservation programs sponsored by local people and organizations."

1101.904: This section should be rewritten for clarification. Beginning with the second sentence, it should be stated substantially as follows: "The State AC program development group shall consist of (a) the State committee (including the State director of extension), (b) the State conservationist of the SCS, and (c) the Forest Service official having jurisdiction of farm forestry in the State. The State AC program development group shall invite participation of representatives of (a) president of the land-grant college, (b) the State director of the Farmers' Home Administration, (c) the State soil conservation committee (board or commission), (d) the State Agricultural Extension Service, and (e) representatives of other State and Federal agricultural agencies. The program for the State shall be that recommended by the State AC program development group and approved by the Administrator, ACPS, after obtaining the recommendations of the Soil Conservation Service and the Forest Service."

1101.905: This section should be rewritten consistent with 1101.904 as modified. Clarify and make specific as to committee references.

1101.906: The words "in the desired volume" should be stricken from the paragraph.

1101.907: Item (b). The phrase "consistent with recognized performance standards and program policies and requirements" should be rewritten to make clear its intent.

1101.908: Incorporate a proviso that eligible seeds or combination of seeds for vegetative practices shall include a legume or legumes where recommended by the State experiment station.

Does the term "where applicable" in item (b) mean "appropriate"? Wording should be clarified.

Reference to 1101.952 will need to be changed since practice A-4 is to be eliminated from the practice list.

1101.909: This section must be revised to provide that no lime or fertilizer will be eligible for cost sharing except as a component part of an authorized practice. Also, it must provide that no payment will be made for lime or fertilizer separately from other components of an authorized practice.

The term "State committee" as used in item (a) should be clarified as the State AC program development group.

Item (b). Make wording clear that liming materials except as a part of vegetative practice are not eligible for cost sharing. Delete the remainder of the sentence following the statement: "The application of manure will not qualify for Federal cost sharing."

1101.910: Item (a). There is to be added to the practices for which the Soil Conservation Service is responsible for the technical phases, practices A-8 and A-9 with appropriate paragraph references. References to other practices should be made consistent with the changes in the practice list as indicated herein.

A final sentence is to be added to this item, as follows: "The Soil Conservation Service will utilize to the full extent available resources of the State forestry agencies in carrying out its assigned responsibilities for practice A-8."

Item (b). The last sentence is to be changed by adding to it the following: " \* \* \* but services of State forestry agencies will be utilized to the full extent if such services are available."

1101.911: Item (a) is to be revised essentially as follows: "The general rate of cost sharing shall not be in excess of 50 percent of the costs of performing any practice on the basis of average costs for the county. For stipulated practices of a permanent type the AC program development group may establish a higher rate of cost sharing, not to exceed 65 percent, where conservation benefits are found to be substantial, long lived, and economic benefits from the practice are remote or spread over a long period of years."

Item (b). Average rates of cost sharing are to be established on a county basis.

1101.914: Add two sentences to the end of the paragraph as follows: "No practice may be approved for cost sharing except as authorized by the National, State, or county program or in accordance with procedures incorporated therein. Available funds for cost sharing shall not be allocated on a farm or acreage-quota basis but shall be directed to the accomplishment of the most enduring conservation benefits attainable."

1101.915: This section is to be revised to provide that cost sharing will be available only for complete practices. No cost sharing is to be made available for components of practices.

1101.924: Revise the paragraph to provide that components are not eligible for cost sharing but that 1958 funds may be obligated for a practice to be completed in the 1959 program year if circumstances justify.

#### CONSERVATION PRACTICES

The following practices are, for reasons stated in this memorandum, to be deleted from the 1958 program: A-1, A-3, A-4, B-8, C-3, C-13, D-1, D-2, and D-3.

The following practices are to be modified as indicated:

A-2. Delete the provision for cost sharing for fences.

A-7. Change the title of the practice to "Initial establishment of a stand of trees or shrubs on farmland for other than agricultural purposes." Delete the provision for cost sharing for fences.

B-1. Delete the word "annual" from the third sentence.

B-2. Change the title to "Improvement of vegetative cover on rangeland by artificial reseeding of deferred grazing."

B-4, B-5, B-6. Combine into one practice with parts 1, 2, and 3.

B-10. Change the title of the practice to "Improvement of a stand of trees on farm or ranch lands for other than agricultural purposes." Delete the provision for cost sharing for fences.

C-9. Revise the third sentence as follows: "No Federal cost sharing will be allowed for ditches which are to drain land which was

not devoted to the production of cultivated crops or tame hay during at least 2 of the 5 years preceding the year in which cost sharing is allowed, or for cleaning ditches, or for structures installed for crossings, or for other structures primarily for the convenience of the farm operator."

C-12. Revise the third sentence as follows: "No Federal cost sharing will be allowed for reorganizing an irrigation system which results in bringing new land into agricultural production or for reorganizing a system which was not in use during at least 2 of the preceding 5 years."

F-2. Add a sentence to this paragraph as follows: Approval by the Administrator, ACPS, of a practice for one county does not constitute authority for extending the practice to other counties without such approval.

The following practices are to be added as indicated:

A-8. Initial establishment of a stand of trees or shrubs on farm or ranch land for agricultural purposes. Agricultural purposes will include protecting farmlands from wind and water erosion by windbreaks, shelterbelts, stabilizing gullies and stream banks and other critical silt-source areas, improving wildlife habitat, and similar-type actions to protect soils of farmlands from deterioration.

A-9. Establishment of vegetative cover for the purpose of adjustments in the use of farmlands for production of farm commodities in association with wildlife habitat improvement.

I will be glad to approve the proposed docket when amended to incorporate the suggestions set forth above.

E. L. PETERSON,  
Assistant Secretary.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement. The Clerk read as follows:

Senate amendment No. 24: Page 28, line 9, strike out "Provided, That no part of this appropriation shall be used to formulate and administer an acreage reserve program with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of \$2,500 with respect to the 1958 crops" and insert "Provided, That not to exceed \$34,500,000 of the total sum provided under this head shall be available for administrative expenses: *Provided further*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of \$500,000,000 with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of \$5,000 with respect to the 1958 crops."

Mr. WHITTEN. Mr. Speaker, I offer a motion which is at the Clerk's desk.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the sum of \$5,000 proposed in said amendment insert "\$3,000."

Mr. WHITTEN. Mr. Speaker, I would like to take a moment here to point out that in the report on page 5 in connection with the Extension Service, language appears to the effect that the increase above the House figure was to "expand" the work of the regular extension agents. The intent of the conferees is that the word "expand" be interpreted to include the word "strengthen." In fact,



"strengthen" was the original purpose. I would like for the purpose of clarification to say here that it is the intent of the conferees that the word "expand" be used to include strengthen.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I would like to resume the colloquy I was having with the gentleman from Mississippi prior to the quorum call. No doubt there have been many abuses in the administration of the soil-bank law and I have no desire to defend these abuses. In fact it has become quite clear that the soil bank, while theoretically attractive, is not the answer to our agricultural problems.

I would like to discuss the pending provision for I am very much disturbed about the \$3,000 limitation on the acreage reserve program. This will vitally affect many producers in various areas of the Nation, especially some of those in the area in which I live. I would just like to know if there has been any possibility that this restriction could have been omitted, leaving this matter up to the people who administer the program. The amount of the soil-bank payment should depend upon the facts and circumstances in each individual case and not upon some arbitrary dollar limitation. The program should be fair to both the small and the big producer.

Mr. WHITTEN. May I say to the gentleman from Texas that there was a limitation both in the House bill and in the Senate bill. In the House bill it was \$2,500 and in the Senate bill it was \$5,000. So, definitely the conferees were tied between those two levels. So far as the figure that appears here now, this figure, I think, and I refer to the general sentiment of the House and Senate, was based largely upon what happened in the last year in certain areas of the country. Apparently, the temper of the membership of both the Senate and the House was that a restriction should be placed on the total amount of any one payment. I may say to the gentleman that investigations are being made at the present time and, according to earlier reports, I think we will clearly see that in the interest of supporting a sound agriculture and a sound agricultural program for the future, a whole lot of things that have been going on should certainly be brought in line and certainly that is what this report attempts to do.

Mr. MAHON. I would like to ask the gentleman this further question, Mr. Speaker. The gentleman from Mississippi is the best informed man in the House in this field of agricultural appropriations. The people are making up their minds as to whether or not they want to see the soil bank continued. If the people in certain areas are confronted from here on out with a limitation of say \$2,500 or \$3,000 for acreage reserve payments, they may come to one conclusion. If the program is more elastic to fit varying conditions throughout the Nation, I think they might come to a different conclusion. My question to my friend from Mississippi is this:

In his judgment, will the Congress and the country continue to support a limitation in the area of \$3,000 or \$4,000 for acreage reserve payments under the soil-bank program?

Mr. WHITTEN. I think the history of agricultural legislation shows that it does not take more than 2 or 3 years for limitations to get written into the agricultural program. The gentleman is familiar with the agricultural conservation program, in which it becomes more restricted year by year, until this year there was some recognition of the change. But, by and large, any time you have payments provided, you are going to have restrictions written, judging by the past. In actuality, I think the soil-bank program clearly requires that, because the general intent is that for the payments the farmer participants would reduce their production. The information before us is that last year a number of farmers rented some land and increased production on other lands and defeated the very purpose of the act, and we find the Government is out tremendous amounts of money. So I think any program of this nature will have restrictions, if I judge the temper of the Congress correctly.

Mr. MAHON. Can the gentleman state whether there is a growing sentiment within the committee, as far as he knows, for a limitation on loan amounts, under the loan program for supported crops? There has been some apprehension in certain quarters that limitations such as this might be placed on the loan program for wheat and corn and cotton.

Mr. WHITTEN. That would be more properly considered by the legislative committee, I should think. I know of no such sentiment in my own committee.

Mr. MAHON. I thank the gentleman.

Mr. BREEDING. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BREEDING. Does this limitation of \$3,000 apply to a landowner's holdings or to the producer on his land?

Mr. WHITTEN. The limitation is to any one producer; I believe that is the word that is used. That determination would be in line with the definition of producer in the basic act. Personally, I would be of the opinion that it had to do with normal operations on the farm. If a place had been in 2 divisions for some time, it likely would be held to be 2 producers. If on the other hand a big operator were to divide his property out, so as to have 10 people farming the same land that he did last year, I think that likely would be held to be for the purpose of defeating the restriction in the act and would not be proper.

Mr. BREEDING. I have one constituent who has 50 tenants. Does this landowner receive only \$3,000, or would he receive a portion or payment, for each of those 50 tenant-operated farms?

Mr. WHITTEN. It would be my thought that he would be one producer and would get a limitation of \$3,000, but I would not want my expression here to in any way change the general definition of "producer" under the basic act. But that would be my understanding of it.

Mr. BREEDING. I would like to make this further remark, that if we put this limitation on at \$3,000, it will automatically cut out 40 percent of the operators in the summer fallow wheat producing area of the United States from participation in the soil bank.

Mr. WHITTEN. May I add that some of the examples that have been brought to our committee would lead to the belief that somebody should be cut out. It is very bad in some areas. We have evidence where land has been sold without any downpayment and then rented to the Government for much more than the land is worth, and the seller has required transfer or an assignment to him of two-thirds of the Government payment. So you wind up with the Government getting little or nothing and the seller gets about twice the value of his land. The tenant gets something because he was not out any downpayment to start with. These restrictions have come into this bill after we have had quite a bit of information with reference to the excesses both last year and this year.

Mr. BREEDING. I am sure that is true in many cases. I do not pretend to protect any one who is trying to defeat the intent of the Soil Bank Act, but I happen to come from an area in the United States where there are large operators.

Mr. WHITTEN. The House voted to cut out the soil bank after this year on a very close vote. The Senate provided a limitation of \$5,000 and the House, \$2,500, and then of course the House killed the program after this year. In view of those two actions by the Senate and the House, including this \$5,000 limitation and the action of the House with \$2,500 limitation, the conferees agreed on what appears to me to be a reasonable solution of the problem, at least as reasonable as we could agree upon.

Mr. BREEDING. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

#### WHEAT PROBLEM SHARPENED

Mr. BREEDING. Mr. Speaker and distinguished colleagues, I would like to make a few remarks here today about the conditions existing in Kansas pertaining to wheat production and the limitations of the soil-bank program as proposed by the conference committee.

The 1957 Kansas wheat crop is being estimated at between 60 and 90 million bushels.

One thing is overwhelmingly certain: No one has done more than the Kansas wheat farmer to solve the Government's wheat-surplus problem. Admittedly, he has not done it altogether deliberately, and the Lord deserves most of the credit. But the facts are there.

Just 5 years ago, the State produced over 300 million bushels of wheat. This year it is producing one-sixth as much.

If any other State in the Nation has had a five-sixths reduction in the output



of its major industry in half a decade, I have yet to hear about it.

The spring rains threatened for awhile to ruin our record and give us a sizable crop. But Kansas weather took care of that. It rained too much.

So Kansas has done her part for the United States of America, raising less wheat as patriotically as she raised more wheat for the red, white and blue during World War II.

And what is to be our reward?

There is still a wheat surplus. Kansas cannot be blamed for it. But Kansas still will pay for it. Subsoil moisture has been restored. The seedbed for the 1958 wheat crop should be the best since 1951. But it will be a narrow bed. Acreage allotment for the State is virtually the same as for the past year.

To be sure, the Kansas farmer will be paid for wheat he does not plant, with soil-bank checks; but the payments will not look nearly as good in the face of a good wheat year, as they did against this year's drought prospects.

The legend, "The wheat State" on the license plates, will continue to look a little ironic.

#### AIM AT SCARCITY

The Government's agricultural program is based on a premise of overabundance. It has been aimed at making wheat scarce when it was already too scarce in Kansas. Now that the prospect is for wheat abundance in Kansas, the Government-imposed scarcity will, from all indications, continue.

Kansas must continue to fight for the right to raise more wheat—the crop it raises best. This was something of an academic problem in the past few years, when we could not raise much anyway, because of drought. But it is a real goal now.

There have been numerous suggestions for reaching the goal: The Wheat Commission's project to find more uses for wheat, thus increasing the demand; the elimination of the "15-acre wheat farmer"; the limiting of the commercial wheat producing area to regions like Kansas.

Whatever the answer, it needs to be pursued even more vigorously than before.

The end of the drought did not solve our problem; it merely sharpened it.

In the June 1, 1957, issue of Doane's Agricultural Digest is a page entitled "This Month in Washington." This article mentions, and I quote:

Another point stressed was that large operators were receiving checks of from \$25,000 to \$40,000 for keeping land out of production. To guard against this the House wrote in a stipulation that Soil Bank checks will be limited to \$2,500 per farm. Even if the acreage reserve is reinstated for 1958, you can expect this directive to stick. The big fat checks are a thing of the past.

If this becomes a true prediction, then the acreage reserve program for 1958 as I see it, will for all practical purposes of accomplishment be out in the summer fallow wheat belt in the United States, because a \$3,000 limitation per farm, would prohibit over 40 percent of all operators from participating.

To put this limitation on our wheat farmers would remove all incentive to cut production in the summer fallow wheat area. I realize that during the debate on the acreage reserve program, much bitterness was displayed. Time and again my colleagues would point out how inequitable the program was. I think the main illustration used was that each New Hampshire farm received an average Soil Bank allocation of \$1.37, while Kansas farms received an average allocation of \$700 per farm. This, of course, is political thinking in the area where they had the vote.

For the purpose of explaining my position let me give you this true example:

Under the 1957 acreage reserve program, this company is owner of 300,000 acres of wheatland, and allocated to this 300,000 acres was approximately 100,000 acres of 1957 wheat allotment. All of this land, of course, is rented to tenant operators on the basis of one-third or one-fourth of the crop delivered to market. Through their tenants, 80,555 acres of the 1957 allocated wheat allotment was placed in the acreage reserve. In other words, they were participating over 80 percent, and the heaviest participation is in the western part of Kansas and the eastern part of Colorado where these holdings are located, running as high as 97 percent in certain counties. This 300,000 acres was rented to approximately 500 tenants and consisted of approximately 650 units.

As I mentioned before, farm units in western Kansas and eastern Colorado are much larger than other parts of the United States, and more than 40 percent of the tenant operators and owner operators would be eliminated if the acreage reserve is limited to \$3,000.

Also, as I mentioned before, with this limitation, it would be impossible for this company to participate in the program. They would have to take steps to see that their tenants did not sign up any of this land for the fall of 1958.

In this type of operation, in order to pay the taxes on the land, supervise and produce, there are expenses that must be met. If the total to be received under the soil bank for 80,555 acres were only \$3,000 this company would soon go bankrupt. For example, their real estate taxes in Kansas and Colorado are approximately \$100,000 and they will pay back to the Federal Government in income taxes better than 52 percent of any amount received.

My area of the country is particularly suited to large operations because of the contour of the land and the climatic conditions. It is not uncommon for 1 operator to farm 10 to 20 quarter-sections of land. If this provision of \$3,000 per farm is retained I think it will defeat the farm program considerably. There would be more production than ever on the part of the large operators in the high plains area, not only in my State but in many surrounding States.

I am very much opposed to the \$3,000 limitation, or any kind of a limitation. I realize that we get our production not from individual farmers, as this provi-

sion would make it mandatory, but our reduction comes from reducing production under acreage controls and should be kept on this basis rather than on a restricted individual basis.

It is my sincere hope that you remove any restrictions for individual farms. If you are unable to remove the limitation provision entirely I would suggest that you make the limitation more liberal.

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. VANIK. Mr. Speaker, I want to take the opportunity to oppose amendment No. 22 in the conference report accompanying H. R. 7441. This amendment appropriates \$162,940,000 for the soil bank program and authorizes \$325 million for future programs.

The soil bank program, as administered, has failed to make any substantial or worthwhile contribution to the increase or stability of farm income. This dole to the farmer will produce nothing more than a half-billion-dollar headache for the American taxpayer.

Mr. McGOVERN. Mr. Speaker, I am supporting the proposed Department of Agriculture and Farm Credit Administration appropriation bill, 1958, as modified in the conference report. I support this bill not because it meets with my approval on all counts but because it is probably the best bill that we can pass at this time.

I have believed from the very outset that those who view the soil bank as a complete answer to the farm problem are mistaken. Early in 1956 when the soil bank plan was being debated, I said publicly that it could not serve as a substitute for a farm parity support program. The experience of the past year has confirmed my earlier judgment.

I have always believed as I do now that the soil bank principle should be used as a supplement to the farm parity program, not as a substitute. Farmers must be assured of a fair price for their commodities before we can expect them to cooperate in any effective program of crop limitation.

I voted for the extension of the soil bank appropriation for 1958 when it was on the House floor sometime ago. I vote for it again today. I do so with the determination to renew my efforts for a price-support program on farm commodities that will assure farmers at least 90 percent of parity.

I am proud of the fact that the overwhelming majority of the members of my party in the Congress joined together to pass just such parity legislation a year ago. It is regrettable that the President vetoed that legislation. It is equally regrettable that the Secretary of Agriculture has refused to use his authority to support farm commodities at the 90 percent of parity level. Nevertheless, the Congress should renew its efforts to pass such legislation again in the hope that the President may see fit this time to change his mind and sign such a measure into law. Any such program should, of course, be geared primarily to the needs of the family size farmer.



I intend to devote a great part of my time and effort in the Congress to the continuing fight for an improved farm program. It is ridiculous that at a time of great national prosperity farmers should be experiencing economic hardship and painful insecurity.

During the balance of this session of Congress and again in 1958, I intend to bring the farm problem to the attention of the Congress in a series of weekly speeches until such time as this critical national problem is satisfactorily resolved.

The SPEAKER. The question is on the motion of the gentleman from Mississippi.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

#### PERMISSION TO ACCEPT A FOREIGN DECORATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 8594) to authorize the Honorable ALBERT P. MORANO, Member of Congress, to accept and wear the award of the Cross of Commander of the Royal Order of the Phoenix conferred upon him by His Majesty the King of the Hellenes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Honorable ALBERT P. MORANO, Member of Congress, is authorized to accept the award of the Cross of Commander of the Royal Order of the Phoenix conferred upon him by His Majesty the King of the Hellenes, together with any decorations and documents evidencing such award. The Secretary of State is authorized and directed to deliver to the Honorable ALBERT P. MORANO any decorations and documents evidencing such award.

SEC. 2. Notwithstanding the provisions of section 2 of the act of January 31, 1881 (5 U. S. C., sec. 114), or any other provision of law, the Honorable ALBERT P. MORANO may wear and display the decoration referred to in the first section of this act after acceptance thereof.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

#### INSPECTION OF POULTRY AND POULTRY PRODUCTS

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 309.

The Clerk read the resolution, as follows:

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes, and all points of order against said bill are hereby waived, except that it shall be in order to make a point of order against section 411. After general debate, which shall be confined to the bill and continue not to exceed two hours, to be divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and yield myself such time as I may consume.

The SPEAKER. The gentleman is recognized.

Mr. TRIMBLE. Mr. Speaker, House Resolution 304 provides for the consideration of H. R. 6814. The resolution provides for an open rule and 2 hours of general debate on the bill.

H. R. 6814 establishes a compulsory inspection by the Federal Government of poultry and poultry products in interstate commerce and in major intrastate consuming areas designated by the Secretary of Agriculture.

The bill requires ante mortem inspection where and to the extent the Secretary deems necessary and requires post mortem inspection of each carcass in plants processing poultry and poultry products.

Sanitary regulations are to be set up by the Secretary for the purposes of the act, and inspection services will be refused processing plants failing to meet the requirements. Containers of poultry products inspected and found wholesome are to be labeled in accordance with the provisions of the bill.

H. R. 6814 does not regulate the handling, shipment, or sale of live poultry and does not apply to poultry processors engaged in intrastate commerce, except, as I have stated, in major consuming areas designated by the Secretary of Agriculture in accordance with the provisions of section 4 of the bill. Also, the bill does not apply to the processing or sale of egg or egg products or game birds. Exemptions are provided for producers who process their own poultry for sale direct to household consumers. The Secretary is also authorized to grant exemptions under certain circumstances to retailers and processors within certain urban areas, and poultry processed in accordance with religious dietary laws.

Prohibited acts are listed in the bill. It also provides for the imposing of injunctions to restrain violations, but does give the Secretary discretion to issue warnings in lieu of criminal or injunction proceedings.

If enacted, no person shall be subject to the act prior to January 1, 1959.

It is estimated that the cost of the program when fully in effect will be approximately \$10 million annually.

I urge prompt adoption of this resolution so the House may proceed to the consideration of H. R. 6814.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as she may desire to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Speaker, in this day and age of fancy packaging and new marketing techniques, the American housewife can no longer use many of her old tried-and-true ways of determining the quality of the foods she buys. The packaging obscures the product. The new marketing techniques do not permit the little rule-of-the-thumb tests of the past.

This is especially true of poultry. The eviscerated chicken of today can look good and still have been diseased. The housewife needs some new way of telling whether the poultry in the grocery store or supermarket should go on her dinner table.

With red meat, we have found compulsory inspection by trained inspectors to be an effective and inexpensive way of assuring the housewife of clean and wholesome food. The same can and should be done with poultry.

H. R. 6814 will give the housewife the protection she wants and needs for her family. I urge the Congress to help her by enacting this legislation for compulsory poultry inspection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the gentleman from Arkansas [Mr. TRIMBLE] has explained this rule and the bill it makes in order. I understand there is some opposition to the bill although personally I feel it is a good one.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Kansas.

Mr. REES of Kansas. May I ask, Does the gentleman have any idea what the cost of this bill will be?

Mr. ALLEN of Illinois. I believe a little less than \$5 million.

Mr. REES of Kansas. A year? I thought it would cost more.

Mr. ALLEN of Illinois. That is correct.

Mr. REES of Kansas. How many new inspectors will be necessary if the bill is approved?

Mr. ALLEN of Illinois. I think it would be best for the gentleman from Kansas to ask that of some member of the Committee on Agriculture.

Mr. REES of Kansas. I thank the gentleman.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, the two questions asked by the gentleman from Kansas are part of the reasons why I am taking the floor at this time to oppose this bill. I never like to find myself in disagreement with one of the legislative committees. An observation of the







# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

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85th-1st, No. 137

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HIGHLIGHTS: Senate adopted conference report on Agriculture appropriation bill. Rep. Cooley and others criticized USDA farm policies. Senate committee reported bills to remove green peanuts from marketing penalties, relieve certain persons of expense for khapra beetle eradication, permit charges for grain standards inspection appeals, and establish a research program to produce fish on flooded rice acreage. Sen. Neuberger criticized USDA objections to his bill to remove tobacco from price support list. Sen. Symington criticized proposed feed grains program. Reps. Cooley and Hill introduced bills to transfer certain functions under Packers and Stockyards Act to FTC.

### SENATE

1. AGRICULTURAL APPROPRIATION BILL. Agreed to the conference report on H.R. 7441, the agricultural appropriation bill for 1958. Concurred in the House amendment to the Senate amendment regarding acreage reserve payments. See Digest 117 for other items of interest. This bill will now be sent to the President. pp. 12090, 12099-12107
2. LANDS; DAIRY INDUSTRY; INSECT CONTROL; GRAIN STANDARDS; PEANUTS. The Agriculture and Forestry Committee reported the following bills:
  - Without amendment H.R. 2259, to convey certain lands in Prairie County, Ark.. (S. Rept. 783);
  - With amendment S. 1962, to convey certain USDA land near Bowie, Md., to the Perkins Chapel Methodist Church (S. Rept. 784);
  - With amendments S. 1696, making surplus dairy commodities available to the Coast Guard and Merchant Marine Academies (S. Rept. 785);
  - With amendments S. 1805, to relieve certain persons of expense for khapra beetle eradication (S. Rept. 786);
  - With amendment S. 2007, to permit charges for grain standards inspection appeals (S. Rept. 787); and
  - Without amendment H.R. 6570, to exempt green peanuts from marketing quotas (S. Rept. 788). p. 12057



3. RESEARCH; RICE. The Interstate and Foreign Commerce Committee reported with amendments S. 1552, to authorize a research program on the production of fish on flooded rice acreage (S. Rept. 780). p. 12057
  4. APPROPRIATIONS. Adopted the conference report on H.R. 7665, Defense Department appropriation bill for 1958. This bill will now be sent to the President. pp. 12077-89
  5. FOREIGN AID. Senate conferees were appointed on S. 2130, the mutual security authorization bill. House conferees were appointed July 22. pp. 12089-90
  6. SMALL BUSINESS. By unanimous consent agreed to vote on S. 2504, to extend the Small Business Administration after one hour of debate on Fri., Aug. 2. p. 12154
  7. TOBACCO. Sen. Neuberger criticized the Department for what he termed an "adverse and frivolous reaction" to his proposal to remove tobacco from the list of basic crops qualifying for price supports, and inserted an article asserting that smoking causes lung cancer. pp. 12057-8
  8. FEED GRAINS. Sen. Symington inserted the Department's summary of proposals for a feed grains program and criticized these plans as giving "the farmer the kind of freedom which results in agricultural bankruptcy." pp. 12068-9
  9. WHEAT. Sen. Bricker urged enactment of a bill to exempt from penalties wheat grown for feed or seed used on the farm, and inserted articles and editorials concerning the legal efforts of an Ohio farmer to prevent ASC Committeemen from penalizing him for planting such penalty wheat. pp. 12073-5
  10. RECLAMATION; WATER RESOURCES. The Irrigation and Reclamation Subcommittee ordered reported to the Interior and Insular Affairs Committee the following bills:  
S. 1031, authorizing construction of 7 units of the Greater Wenatchee Division of the Chief Joseph Project; and  
S. 2431, granting Congressional consent to the Oregon-California compact in regard to the Klamath River Basin. p. D718
  11. WATER RESOURCES. Sen. Morse inserted an editorial alleging that ex-Interior Secretary McKay's appointment to the International Joint Commission was the result of the services he rendered the Administration in defending their power policies. p. 12077
  12. MISSOURI RIVER. Received from the Comptroller General an audit report on the Missouri River Basin water resources development program, Corps of Engineers and Bureau of Reclamation, for fiscal year 1956. p. 12057
  13. BUDGET. Sen. Byrd inserted a speech by Gen. MacArthur stating that taxes were too high and were causing inflation, and that the Federal budget should be reduced. pp. 12178-81
  14. ELECTRIFICATION. The Interstate and Foreign Commerce Committee reported favorably the nomination of Jerome K. Kuykendall as a member of the Federal Power Commission (S. Ex. Rept. 11). p. 12181
- HOUSE
15. FARM PROGRAM. Reps. Cooley, Poage, and Albert criticized the farm policies of this Department. pp. 12003-05



unanimous consent to the handling of any unprivileged matters in the Senate. That is also in consonance with one of the rules of the Senate, which I recommend for the study of the gentlemen who sit in the radio, television, and press gallery. I suggest that when they write on Senate procedures they have the responsibility to tell their readers and viewers and listeners the facts about the rules. I thought I had made my position very clear yesterday, but I judge, from some of the radiocasts and televisioncasts and newspaper articles, that the newspapermen were elsewhere than in the press and radio and television gallery when this matter was discussed on the floor of the Senate. At least some of the reports would indicate that they were absent in mind if not in body.

When it comes to any unprivileged matter in the Senate, each Senator has a right to object to a unanimous-consent proposal that seeks temporarily to lay aside the business pending before the Senate in order to consider such unprivileged matter. So far as the Senator from Oregon is concerned, he will object to the consideration of any unprivileged matter.

What I have just said applies to the Small Business Administration bill. Some members of the press interviewed me this morning as to what my position was on the Small Business Administration bill. I have nothing to conceal about my view. That bill is not a privileged matter. It is subject to a point of order if it is brought up on this legislative day, because it was placed on the calendar in this legislative day. If a motion were made to adjourn the Senate, which would be required in order to bring up the bill, and thus to get around the point of order I unquestionably would raise, the bill would then have to be considered in the morning hour, which ends always at 2 o'clock. Until some concessions are made in regard to a time certain to vote on the pending civil rights amendment, I want to say for the benefit of the gentlemen in the press and radio and television gallery, that I will prevent a vote during any morning hour. I have a whole series of subject matters I am just waiting to discuss in the Senate, under the rules of the Senate, in the morning hour. When I do that in the morning hour, I shall be within the rules of the Senate, and I shall be following the orderly procedures of the Senate. I hope the editors of the Washington Post, and the Washington Star for that matter, who need a refresher course, not only on Senate procedures, but on constitutional law, will start publishing the truth about the parliamentary situation in the Senate. It is time to place the blame where it belongs for the parliamentary situation in the Senate. That blame does not rest on the shoulders of the senior Senator from Oregon but on those that vote to put the civil-rights bill directly on the Senate Calendar without consideration by the Senate Judiciary Committee.

So, Mr. President, until in the parliamentary struggle in which we are now involved we can get some concessions

with regard to the pending amendment, the Senator from Oregon repeats that every parliamentary right he has under the rules of the Senate will be exercised.

Let me say further, Mr. President, and respectfully, that I completely disagree with the position taken by a few of my liberal friends, and I understand that more and more of them are gradually coming around to my point of view, which does not surprise me, because I think I have been standing for the true liberal position with regard to this civil rights issue from the very beginning. I understand some of my liberal friends are beginning to see now that when in a parliamentary struggle negotiations are started to seek to provide a procedure for the handling of some emergency legislation, one ought to have at least a little understanding of the philosophy of David Harum.

My horse-trading propensities stand me in good stead. I do not trade away a good horse and get nothing back but a buggy whip that may be used on my own back. I at least try to get a horse of equal value.

In this particular situation, Mr. President, if there is any trade of parliamentary accommodations in this parliamentary struggle, I want a concession with regard to the jury trial amendment vote, with a time certain fixed to vote.

Oh, I know what the proponents of small business say. I hear from them, too. Let me say to them that as soon as we get through with the jury amendment and the entire civil rights issue I shall be one of the cosponsors of a bill, if someone beats me to offering the bill, to provide for the Small Business Administration. I shall be either the author or a cosponsor of a bill which will seek to reestablish the Small Business Administration, and I am sure within a few hours after we have disposed of the civil rights issue we will have the Small Business Administration back in operation.

In order to keep the record straight—I say this kindly but factually—although much blame from certain sources will be placed upon my shoulders for what has happened to the Small Business Administration bill, if certain people can get by with it, I say to them, as I said to the pear orchard spokesmen of Oregon yesterday, "What are you calling me for? Why do you not call the chairman of the conference committee regarding your subject matter? The conference report could have been brought up at any time after the conferees reached an agreement."

So, I say to those interested in the Small Business Administration bill, as I am, "What are you calling me for?"

I stood on the floor of the Senate not so many days ago and sought a 7-day period during which to handle emergency legislation. The speech was perfectly clear. I forewarned what would happen. I said in that speech that if we did not follow the course of action I suggested, other measures would be caught behind the logjam of the proposed civil-rights legislation. We needed an official committee report on the bill. But a majority of the Senate disagreed with me. They exercised their rights. They voted

against my motion to refer the civil-rights bill to the Senate Judiciary Committee with instructions to report back in 7 days. All I am doing is exercising my rights.

I am perfectly willing to let the public judge where the responsibility should rest for nonaction by the Senate on unprivileged legislative matters.

I want to say, Mr. President, in closing, that the debates we have had on the civil-rights bill—the debate of the past several days, the debate of last night, and the debate of this morning—show, in my opinion, how right I was in the position I took that there ought to be called before the Committee on the Judiciary outstanding witnesses, great constitutional law authorities, great scholars in the field of constitutional law, to give the Senate of the United States through its regular Committee on the Judiciary expert testimony, views, and opinions the Senate should have, on the basis of which to write legislation. Instead of that the Senate is trying to write a bill which is becoming more complicated with every amendment or every modification of an amendment proposed. We now have a bill which, so far as constitutional law is concerned, is not limited to the civil-rights issue. It has gone into many fields involving constitutional problems of our entire judicial system. In my judgment the bill will end up as a legislative monstrosity, and will plague the courts, which will not even have an official committee report on the basis of which to make an interpretation of the congressional intent and purpose of the legislation.

I say these things, Mr. President, not because I want to be unpleasant, but because I think as a matter of right and duty I owe it to myself to keep the record straight.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

#### MUTUAL SECURITY ACT OF 1954

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I thank my friend, the Senator from California, for suggesting the absence of a quorum.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Has the conference report on the Department of Defense appropriation bill been agreed to?

The PRESIDING OFFICER. It was agreed to unanimously.

Mr. JOHNSON of Texas. Mr. President, I ask that the Chair lay before the Senate a privileged matter, the House



amendments to Senate bill 2130, the Mutual Security Act.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on Senate bill 2130, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,  
July 22, 1957.

*Resolved*, That the House insist upon its amendments to the bill (S. 2130) entitled "An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes," and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

*Ordered*, That Mr. GORDON, Mr. MORGAN, Mr. CARNAHAN, Mr. VORYS, and Mr. JUDD be the managers of the conference on the part of the House.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate disagree with the House amendments and agree to the conference requested by the House, and that the Chair appoint conferees on the part of the Senate.

Mr. MORSE. Mr. President—

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MORSE. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. This is a privileged matter, is it not?

The PRESIDING OFFICER. It is privileged under the precedents of the Senate.

Mr. MORSE. I simply want the RECORD to show that the Senator from Oregon is following the rules of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Presiding Officer appointed Mr. GREEN, Mr. FULBRIGHT, Mr. SPARKMAN, Mr. HUMPHREY, Mr. MANSFIELD, Mr. WILEY, Mr. SMITH of New Jersey, Mr. HICKENLOOPER, and Mr. KNOWLAND conferees on the part of the Senate.

#### DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATIONS—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, on behalf of the Senator from Georgia [Mr. RUSSELL], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 5, 1957, pp. 9822-9823, CONGRESSIONAL RECORD.)

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. The conference report is a privileged matter, is it not?

The PRESIDING OFFICER. It is a privileged matter.

The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the conference report.

Mr. JOHNSON of Texas. Mr. President, if there are no Senators who desire to make statements on any other subject now, I shall suggest the absence—

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield the floor to my friend, the Senator from California.

#### STATUTES AUTHORIZING INJUNCTIVE RELIEF

Mr. KNOWLAND. Mr. President, I should like to read into the RECORD at this point the statutes authorizing the United States to seek injunctive relief as a means of law enforcement without jury trial for contempts. I will omit the citations, but will read the list of statutes for the information of the Senate:

Packers and Stockyards Act.  
Associations of Agricultural Producers Restraining Trade.  
Perishable Agricultural Commodities Act, 1930.  
Agricultural Adjustment Act.  
Federal Seed Act.  
National Housing Act.  
Sherman Act.  
Clayton Act.  
Federal Trade Commission re false advertising.  
Wool Products Labeling Act.  
Fur Products Labeling Act.  
Securities Act of 1933.  
Trust Indenture Act.  
Securities Exchange Act of 1934.  
Public Utilities Holding Company Act.  
Investment Company Act.  
Investment Advisers Act.  
Associations Monopolizing Trade in Aquatic Products.  
Interstate Transportation of Petroleum Products.  
Natural Gas Act.  
Flammable Fabrics Act.  
Federal Power Act.  
Federal Alcohol Administration Act.  
National Labor Relations Board Orders.  
National Emergency Strikes.  
Fair Labor Standards Act.  
Bridges Over Navigable Waters.  
Longshoremen's and Harbor Workers' Compensation Act.  
Atomic Energy Act.  
Enclosures of Public Lands.  
Shipping Act of 1916.  
Landing Submarine Cables.  
Communications Act of 1934.  
Interstate Commerce Act.

Federal Motor Carrier Act.  
Civil Aeronautics Act.  
Water Carriers Act.  
Freight Forwarders Act.  
Defense Production Act.

Mr. President, I ask unanimous consent that the list of statutes and the citations be printed in the RECORD at this point.

There being no objection, the list of statutes and citations was ordered to be printed in the RECORD, as follows:

STATUTES AUTHORIZING THE UNITED STATES TO SEEK INJUNCTIVE RELIEF AS A MEANS OF LAW ENFORCEMENT WITHOUT JURY TRIAL FOR CONTEMPTS

Title 7, United States Code, section 216, Packers and Stockyards Act; section 292, Associations of Agriculture, Producers Restraining Trade; section 499h (d), Perishable Agriculture Commodities Act, 1930; section 608a (6), Agricultural Adjustment Act; section 1600, Federal Seed Act.

Title 12, United States Code, section 1731b, National Housing Act.

Title 15, United States Code, sections 4, 9, Sherman Act; section 25, Clayton Act; section 53, Federal Trade Commission, re False Advertising; section 68e, Wool Products Labeling Act; section 77t (b), Securities Act of 1933; section 77uuu, Trust Indenture Act; section 78u (e), Securities Exchange Act of 1934; section 79r (f), Public Utilities Holding Company Act; sections 80a-34, 35, 41 (e), Investment Company Act; section 80b-9 (e), Investment Advisers Act; section 522, Associations monopolizing trade in aquatic products; section 715i, Interstate Transportation of Petroleum Products; section 717s, Natural Gas Act; section 1195 (a), Flammable Fabrics Act.

Title 16, United States Code, section 825m, Federal Power Act.

Title 27, United States Code, section 207, Federal Alcohol Administration Act.

Title 29, United States Code, section 160 (j) (1), National Labor Relations Board orders; section 178, National Emergency Strikes; section 217, Fair Labor Standards Act.

Title 33, United States Code, section 519, Bridges Over Navigable Waters; section 921, Longshoremen's and Harbor Workers' Compensation Act.

Title 42, United States Code, section 2280, Atomic Energy Act.

Title 43, United States Code, section 1062, Enclosures of Public Lands.

Title 46, United States Code, section 828, Shipping Act of 1916.

Title 47, United States Code, section 36, Landing Submarine Cables; section 401 (b), Communications Act of 1934; sections 5 (8), 16 (12), 43, Interstate Commerce Act.

Title 49, United States Code, section 322 (b), Federal Motor Carrier Act; section 647 (a), Civil Aeronautics Act; section 916 (b), Water Carriers Act; sections 1011, 1017 (b), Freight Forwarders Act.

Title 50, United States Code, Appended, section 2156, Defense Production Act.

#### CIVIL RIGHTS ACT OF 1957

The Senate resumed the consideration of the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

Mr. CASE of South Dakota. Mr. President, when the historians review the record of our times, I feel there will be at least three outstanding things which will be mentioned as landmarks of the Eisenhower administration.



to the service of United States citizens on grand or petit juries.

Mr. CLARK. Mr. President, will the Senator from Wyoming yield briefly at this point?

Mr. O'MAHONEY. I yield.

Mr. CLARK. I do not wish to interrupt further the remarks of my distinguished friend, the Senator from Wyoming. Later today I shall hope to have something to say on that subject in my own time; and I shall respectfully, and with the greatest feeling of warm friendship, disagree with my friend, the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I reciprocate in kind the Senator's expression of feelings; and I shall attentively listen to what he will have to say.

Mr. President, some of the Senators to whom telegrams were sent, are not now on the floor. The Senator from Arkansas [Mr. McCLELLAN] told me that he would be occupied in the operations of the committee of which he is chairman, in looking into alleged labor racketeering. So he asked me to read the telegrams which came to him. I shall do so gladly.

The following was sent on yesterday, July 31, from Texarkana, Tex., which of course is on the borderline between Texas and Arkansas:

TEXARKANA, TEX., July 31, 1957.

Hon. JOHN L. McCLELLAN,  
United States Senate,  
Senate Office Building,  
Washington, D. C.:

Reurtel July 31. Negroes regularly are selected and serve on both grand and petit juries in my courts in both eastern and western districts of Arkansas. As members of petit jury they sit as trial jurors without regard to the race or races of the litigants.

HARRY J. LEMLEY,  
United States District Judge,  
Eastern and Western Districts of Arkansas.

Mr. President, I hope the fact stated in that telegram will be brought to the attention of the misguided citizens of Northern States who are under the impression that no progress in racial relations has been made in the South for 90 years. We hear that phrase repeated almost as frequently as the question, "How many bubbles are there in a cake of soap?"—a question which was asked 30 years ago, and was publicized in an issue of the Nation magazine, thus showing how false propaganda, once initiated, flows on and on and on, like a giant river.

The next telegram comes from Fort Smith, Ark., and is dated July 31. It reads as follows:

FORT SMITH, ARK., July 31, 1957.

Hon. JOHN L. McCLELLAN,  
United States Senate,  
Washington, D. C.:

Negroes are now and have been for many years regularly selected and impaneled on both petit and grand juries in the western district of Arkansas, and I am advised that the same procedure is followed in the eastern district of Arkansas. I have heard no complaint from anyone on the procedure followed in the selection of the juries in the western district of Arkansas.

JOHN E. MILLER,  
United States District Judge.

Mr. President, if I am not mistaken, Judge Miller was at one time a Member

of the House of Representatives, and later was a Member of this body. He is a witness whose testimony cannot be successfully challenged.

One of the judicial positions in the State of Arkansas is vacant. So the telegram which the Senator from Arkansas [Mr. McCLELLAN] received from that district comes from the United States attorney for the eastern district of Arkansas. This telegram likewise is dated July 31. It comes from Little Rock, Ark., and reads as follows:

LITTLE ROCK, ARK., July 31, 1957.

Senator JOHN L. McCLELLAN,  
United States Senate,  
Washington, D. C.:

Your wire this date received. Negro citizens have been selected and permitted to serve on all grand-jury panels and all petit-jury panels in the eastern district of Arkansas since I took office in January 1954 and the custom for such jury service had prevailed for many years prior thereto.

OSRO COBB,  
United States Attorney, Eastern District of Arkansas.

Mr. President, inasmuch as Mr. Cobb was appointed district attorney and took office in 1954, he also is a Federal official who owes his appointment to the present President of the United States, and his appointment was made under the scrutiny of the head of the Department of Justice.

Mr. RUSSELL. Mr. President, I hope we may now resume consideration of the conference report on the agricultural appropriation bill.

Mr. O'MAHONEY. Mr. President, I shall be very happy to suspend the presentation of the letters and telegrams until other Senators who are busy elsewhere return to the floor.

I am sorry to have taken so much time from consideration of the conference report on the agricultural appropriation bill.

Mr. RUSSELL. Mr. President, I assure the Senator from Wyoming that the time of the Senate he took was probably used to better advantage than will be the time taken in connection with consideration of the conference report on the appropriation bill for the Department of Agriculture.

Mr. O'MAHONEY. Mr. President, I yield the floor.

#### DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATIONS, 1958— CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. RUSSELL. Mr. President, the pending business is the report of the committee of conference on the appropriation bill for the Department of Agriculture for fiscal 1958.

I move the adoption of the conference report on H. R. 7441.

I shall make a very brief statement with respect to the conference report. This conference report is not noteworthy except in one respect. It happens to be an appropriation bill of large size. As it passed the House, it provided for \$3,692,889,757. The Senate decreased the House amount by about \$24 million, the exact amount of the bill as it passed the Senate being \$3,668,732,157.

The conference report comes to the Senate and to the House in an amount \$2,428,400 below the Senate figure. So when the conferees got together both sides yielded which enabled us to achieve the rather unusual result of having the conference report less in amount than either the figure contained in the bill as it passed the House or as it passed the Senate.

The Senate was compelled to make some concessions, as is always the case. We were compelled to make a concession of \$150,000 in amendment No. 5, in payments to State experiment stations.

We were compelled to make a concession of \$150,000 in the \$1,764,000 increase over the House amount in the appropriation for extension payments to the States.

The net result of the conference report, I think, was to assure a workable bill, which totals about \$300 million below the budget estimate.

I do not know of anything in the conference report which is particularly noteworthy. I desire, however, to call especial attention to the language which was used by the conferees with respect to the appropriation for the agricultural conservation program. The appropriation was made in the amount of \$212 million, and there was a reappropriation of the sum of \$38 million which was a carryover from the 1955 program. The fund that is available for the fiscal year, beginning July 1, 1957, is therefore, \$250 million, which is the same amount that has been available for the agricultural conservation program for a number of years.

Subsequent to the first meetings of the conference committee reports were broadcast that there was likely to be a sharp curtailment in the agricultural conservation program. I wish to point out that when the representatives of the Department appeared before the committee of the Senate and of the body on the other side of the Capitol, they in no wise indicated that there were any plans whatsoever to change the program substantially from the form in which it was carried out in the last fiscal year, and in the preceding fiscal year. The conference committee, in filing its report, as a matter of legislative history, after relating the fact that \$250 million was available, used this language:

The conferees believe that the conservation reserve program should not be used to curtail existing programs, particularly the agricultural conservation program.

I interpolate at that point to say that rumors had been broadcast that, due to the fact that we had a conservation reserve program under the Soil Bank Act, drastic changes would be made in the agricultural conservation program. We strongly stated we did not believe that



was any justification whatever for curtailing the program. I now resume reading from the statement on the conference report, in order that the legislative history of this proposal may be clear and specific:

It is understood from the Department's justifications and testimony that the 1958 agricultural conservation program will be continued on the same basis as the 1957 program. In agreeing to the funds for this purpose in the accompanying bill, the conferees direct that no changes will be made in the 1958 agricultural conservation program to restrict eligibility requirements or delete cost-sharing practices included in the 1957 program. Floods and drought conditions in much of the Nation make it imperative that all 1957 program practices be continued in 1958.

It is to be noted that the 1957 conservation reserve program is participated in by only 81,130 people at an estimated cost of \$133 million, whereas the 1957 agricultural conservation program is participated in by 1,275,000 farmers at an estimated Federal cost of about \$250 million.

The conferees recommend that the Department revise its method of securing recommendations for practices covered by the proposed advance authorization for the 1959 agricultural conservation program by securing recommendations for cost-sharing practices from county and State committees at the time the 1958 program is formulated. This should result in economy of program administration, more timely recommendations for formulation of a national agricultural conservation program for 1959, and should enable the Department to present any changes proposed in the 1959 program to the Congress during appropriation hearings next year.

The purpose of that statement is to endeavor to keep this program in line with the needs of the specific areas where the program is in operation by obtaining from the various States recommendations as to the type of program that is most appropriate within the several States.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HUMPHREY. As a point of emphasis, I had understood, from reports I had read in the press, that the Department of Agriculture had indicated that there would be a rather substantial reduction in the operations of the agricultural conservation program. It is reassuring to me, of course, to see the specific and the precise language which is contained in the statement on the conference report requiring the Department of Agriculture to continue its program on the basis of the 1957 experience.

Mr. RUSSELL. The conference committee undertook to make its purpose in that regard crystal clear.

Mr. HUMPHREY. I am sure the Senator had heard that there had been some indication from the Department that there might be a reduction in the program.

Mr. RUSSELL. I do not know just how far it had gone, but there had undoubtedly been a proposal to revise drastically the existing program by eliminating a large number of practices that had been in effect for a number of years.

Mr. HUMPHREY. That is correct.

Mr. RUSSELL. And practices which are about the only ones that can be applied in some States of the Union.

Mr. HUMPHREY. Exactly.

Mr. RUSSELL. If this program had been revised as it was reported, these practices would have ceased in some of our States.

Mr. HUMPHREY. I want to call to the attention of the Senator the fact that on page 6, the final line of the conference report statement reads:

Floods and drought conditions in much of the Nation make it imperative that all 1957 program practices be continued in 1958.

That sentence is of paramount importance.

Mr. RUSSELL. I think it is.

Mr. HUMPHREY. In my State we have serious problems. In fact, I had printed in the RECORD some time ago a statement as to the tremendous loss of top soil as the result of flash floods in the State of Minnesota. Those floods have continued. The heavy rains have literally wrecked large areas of the State, at least so far as the immediate productivity of the soil is concerned.

As a matter of fact, I think we will need a supplemental appropriation for ACP later on. In fact, we may need it now, because the flood conditions in certain areas of the United States are very grave.

I should like to say that the junior Senator from Oklahoma [Mr. MONRONEY] and the senior Senator from Oklahoma [Mr. KERR] both talked to me about this matter earlier today. I hope they perhaps will come to the Chamber before this discussion has concluded, because I am sure they also feel additional funds are needed.

I hope the Department has indicated some interest in a supplemental appropriation to provide for relief in these conditions. Is the Senator aware of the interest of the Senators from Oklahoma?

Mr. RUSSELL. Oh, yes. Both of the distinguished Senators from Oklahoma, the senior Senator [Mr. KERR] and the junior Senator [Mr. MONRONEY], expressed a very great interest in the matter, and indicated it was vital that some amount of money be made available for that purpose in the State of Oklahoma alone, I believe it was \$4 million.

To date no additional estimates have been received from the Bureau of the Budget in that regard. Of course, it is not too late. Undoubtedly another supplemental appropriation bill will come before Congress. If estimates can be secured from the Bureau of the Budget or from the Department of Agriculture as to the amount necessary to render some form of relief to those victimized by natural calamities, it will be possible to do something.

Mr. HUMPHREY. Let me ask one concluding question as to the program relating to floods and drought conditions.

Is there any limitation in the present program, as now provided for by the conference report, which would prevent the Department of Agriculture from using all funds it now has in the appropriation for the relief of flood and drought conditions?

Mr. RUSSELL. No; I do not think there is any such limitation. I think it

would be incumbent upon the State to provide a program for the State. The Senator realizes, of course, these funds are allotted on a State basis.

Mr. HUMPHREY. That is correct.

Mr. RUSSELL. The only other limitation would be the limitation as to the amount any one recipient under the program may receive, which is the sum of \$2,500.

Mr. HUMPHREY. Yes. I noticed last year there was a balance of \$38 million available from the 1955 program funds.

Mr. RUSSELL. Yes, but that was re-appropriated this year for the 1958 program.

Mr. HUMPHREY. In other words, the 1956 program utilized the full appropriation?

Mr. RUSSELL. Approximately so.

Mr. HUMPHREY. So that there is no leeway for any extraordinary flood relief, or relief for drought conditions?

Mr. RUSSELL. There is not. In the absence of any additional authorization or appropriation, I would say it would be very difficult to squeeze any substantial sum for relief of this nature from the funds available to any State.

Mr. HUMPHREY. I hope the Senator will look with favor, upon the need for additional funds, if a report comes from the Department and the Bureau of the Budget. I know the Senator will give such request his friendly consideration, and I hope the request will be made.

Mr. RUSSELL. I am most sympathetic with the program to relieve the suffering indicated by the Senator. I should like very much to see the Department or the Bureau of the Budget give us some estimate of the overall national need in this field.

Mr. HUMPHREY. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Vermont.

Mr. AIKEN. First, Mr. President, I should like to compliment the conferees on the part of the Senate, and particularly the chairman [Mr. RUSSELL], for the good work they have done on the Agriculture Department appropriation bill.

Mr. RUSSELL. On behalf of the conferees, I thank the Senator from Vermont, who is a former distinguished chairman of the Committee on Agriculture and Forestry, and a very valuable member of the subcommittee, even though he was not a conferee.

Mr. AIKEN. I thank the Senator from Georgia. We did not get a bill exactly as we would have liked it. That is not the first time such a thing has happened, however.

Mr. RUSSELL. It would be most remarkable if we ever did get such a bill.

Mr. AIKEN. I particularly rose to emphasize what the chairman of the Agriculture Appropriations Subcommittee has said in regard to the appropriation for the ACP program. I think it is extremely important that the intent of the Congress be made perfectly clear, so that no officials in charge of carrying out the program can have any reason whatsoever for deviating from what the Congress intends.



The Senator from Georgia referred to a rumor that certain officials of the Department of Agriculture were planning to cut drastically the ACP program below what it has been in other years. I think I can help clear up that rumor for the RECORD.

I heard—and later it was verified—that on June 28 Assistant Secretary Peterson, who is in overall charge of the soil-conservation agencies, addressed a memorandum to Paul Koger, Administrator of the ACPS, the Agricultural Conservation Program Service. I was later handed what purported to be a copy of the memorandum. Upon reading it, I was rather amazed to find that it apparently eliminated a great many of the practices which were used successfully in most of the States in the 1957 program, last year's program. In fact, it eliminated a good share of those programs, except for the practices which normally come under the programs of the Soil Conservation Service. The proposal would have done away with, as I understood it, about 75 or 80 percent of the program in New England, and I believe about the same percentage in the State of Georgia.

Mr. RUSSELL. Not quite so high in Georgia but it would have been a serious blow.

Mr. AIKEN. It would have eliminated many of the practices used in the States east of the Missouri River.

I was quite disturbed about the matter. I realized that the 1957 program of ACP had been carried out in accordance with the desires of the States where it was applied, and that it was one of our most successful programs.

Assistant Secretary Peterson talked with me over the telephone, and at that time assured me that the States would be permitted to carry out the programs as they did last year, and in accordance with the intention of Congress, which was entirely satisfactory to me. Mr. Peterson also said he was addressing a letter to the chairman of the Senate Committee on Agriculture and Forestry [Mr. ELLENDER] and I think all members of the Committee on Agriculture and Forestry have received copies of that letter. I did not study the letter for several days. When I did read it, I was quite surprised.

The letter was sent to the Senator from Louisiana [Mr. ELLENDER] under date of July 15, and when I read it I was rather surprised to find that, so far as I could observe, it did not deviate from the memorandum which had been sent to Mr. Koger on June 28 to any appreciable extent. It would still have been possible to do away with a good share of our customary ACP program.

Therefore, on July 23, about 8 or 10 days ago, I wrote to Mr. Peterson, calling his attention to the fact that the letter to the Senator from Louisiana [Mr. ELLENDER] did not back away from the memorandum of June 28, and I pointed out some of the serious results which could come about should the program be changed to the extent the memorandum indicated it would be changed.

Let me read the last paragraph of my letter to Mr. Peterson:

Referring once more to the memorandum from you to Mr. Koger, I will say that the program set forth therein would definitely not be in accord with the intent of the Congress, and it would be unfortunate if any attempt were made to radically change the ACP program without the approval of the Congress.

I think that is a perfectly true statement. Congress knows what it expects of an ACP program; and the memorandum which was sent to the Director of the ACP definitely deviated far from the program which the Congress intended. I have not as yet received a reply to my letter to Secretary Peterson.

Mr. RUSSELL. It also deviated from the program which was presented to the Congress when the agency requested the appropriations. The agency representatives said they did not expect to make any drastic changes.

Mr. AIKEN. Yes. What happened in the meantime to bring about such a program as was suggested in the memorandum to Mr. Koger, I do not know.

I do know that there is some duplication of effort among our agricultural agencies. I do know that the work of the Soil Conservation Service is very important; but so is the work of the Forest Service, the ACP program, the Extension Service, and the national forestry program, as well as the State forestry programs. They are all important. I do not believe one of them should be greatly dominant over the others.

We realize, of course, that some changes may be necessary to avoid duplication of effort, and that is the reason why the Senate Committee on Agriculture and Forestry has recommended extension of the life of the ACP for 4 years instead of permanently, and Congress has extended the life of the ACP for 4 years instead of permanently in order that we might have time to make a study of the situation.

What I think we should make clear here is that any radical changes in these programs should be made by the Congress, and not administratively. The Senator from Georgia has performed a real service in pointing out what the intent of the Congress is. I have tried to support him.

I think we know what the intent of the Congress is. The intent of the Congress is that the States, through the State committees, shall set up programs which are best adapted to those States, and should be permitted to carry them out, and not be required to abandon many of the practices which have proved to be of especial value to each particular State. They should try to carry on their programs with practices which have proved to be of value, and not with practices which may be good practices in some State a thousand miles away, but which do not fit their own local conditions.

Mr. RUSSELL. I now yield to the ranking member of the Subcommittee on Agricultural Appropriations of the Senate Committee on Appropriations. Sometimes I serve under his chairman-

ship as the ranking minority member. Pursuant to the vicissitudes of politics, he now serves as ranking member of the minority.

Mr. YOUNG. Mr. President, in that respect it makes no difference to me whether Democrats or Republicans are in control, because I think the Senator from Georgia represents my own thinking on farm matters and more ably than I myself could.

Mr. RUSSELL. If there were as little partisanship in the Congress as a whole as there has been in the agricultural subcommittee of the Committee on Appropriations for the past 14 years, there would be very little political identity here.

Mr. YOUNG. That is correct.

On the question of the agricultural conservation program, there is no difference of thinking between the Senator from Vermont [Mr. AIKEN], the Senator from Georgia [Mr. RUSSELL], and myself. We have had a problem with the Department of Agriculture, extending back several years. Some in the Department had tried to reduce the program to a much lower level than where it is now, and to change the practices considerably.

I should say, in justice to the Department of Agriculture, that it has a problem, involving a conflict of purposes at times between the soil conservation program and the ACP program. Under the soil bank program a great deal of money is spent in an effort to decrease production. So I think we should say, in justice to the Department, that it has a problem in trying to administer all the programs and do right by the taxpayers of the United States.

I think the language of the conference report should assure there will be no changes in this program for another year. The Department of Agriculture itself asked for \$250 million for this program, as against some \$140 million several years ago. So the USDA has come up to the \$250 million level, which I believe all of us agree is necessary.

I believe that the bill now before the Senate is a workable one, and will give the Department most of the funds it needs to operate.

One of the big accomplishments on the Senate side in the conference was the restoration of the acreage reserve program. The House insisted on a limit of \$2,500 that could be paid to any one operator, which I think is wrong, but we finally had to accept \$3,000 as against the Senate action placing a limit of \$5,000. That acreage reserve program is restored, and the Department of Agriculture will have an opportunity to try it out this year again to see if it can be of help in solving the surplus problem of the Nation. I firmly believe that without this program, without acreage controls and the Public Law 480 export program, our surplus problem would be immeasurably worse than it is now.

There was one other disappointment in connection with the conference report, and that was in connection with the utilization research funds. This year for the first time the Department of Agriculture asked for a sizable increase in these



funds. The House had greatly reduced the funds for that purpose, and the Senate restored them, but in conference we were able to hold only a small portion of the increase in funds for utilization research, which to me is one of the most important things we could do to help solve our agricultural surplus problem.

Mr. RUSSELL. I thank the Senator from North Dakota.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YARBOROUGH. I join my colleagues in commending the distinguished Senator from Georgia and other members of the committee for their thorough work. My inquiry is directed to a point which has been raised in part by the distinguished Senator from Minnesota [Mr. HUMPHREY]. Let me state some of the factual basis for the inquiry.

In the Southwest, including my own State of Texas, and several other States, there have been very disastrous floods this year. They followed 7 years of drought, and the 7 years of drought made the floods even more destructive. It rained for 60 or 70 days. Water stood on flat lands which normally hold no water. The uplands became waterlogged, and it was impossible to plant.

This condition was called to the attention of the highest ranking officials in the Department of Agriculture time after time, by representatives from my own State, by myself, and others, and in Oklahoma by the distinguished Senators from Oklahoma [Mr. KERR and Mr. MONRONEY].

The Department of Agriculture refused to extend the time for inclusion of the land within the soil-bank program. At the public hearings at which the distinguished Senator from Minnesota presided, representatives of the Department stated that there was no program under which those farmers could be paid anything, when their land was flooded out and they could not plant. The Department officials did not indicate their intention of recommending that there be any type of payment. They showed no sympathy whatever for or interest in those farmers whose lands had been flooded out and who were unable to plant.

My inquiry to the distinguished senior Senator from Georgia is whether or not the conference report would preclude payment to the farmers in the disaster areas, whose lands were ruined, and who were unable to plant this year, of some type of relief. As I understand, no such provision is included in the bill.

Mr. RUSSELL. There are no funds in the bill for that specific purpose. However, I will say to the distinguished junior Senator from Texas that there are ample legal provisions to support an appropriation for this purpose. As a matter of fact, a preliminary survey has been conducted by the Department in the States of Arkansas, Idaho, Illinois, Kansas—some with respect to tornadoes—Kentucky, Louisiana, Minnesota, Missouri, Oklahoma, Tennessee, and Texas, as to the nature of the damage and the needs to be met.

The estimate for the State of Texas is \$5,203,000, and the statement adds that

this is an incomplete survey for the State of Texas. However, no budget estimates have been submitted to implement this disaster law and to make funds available for those who have suffered damage from flood, tornado, or hurricane. The estimates could be sent forward for inclusion in a supplemental appropriation bill. I may say to the distinguished Senator from Texas that that bill would not be acted on by the Subcommittee on Agricultural Appropriations, but the overall supplemental bill, with the estimates for all the departments, would be considered by the full committee.

I can assure the Senator that if the budget estimates are submitted they will receive most careful consideration on the part of the entire Committee on Appropriations, because the members of that committee have been very generous in dealing with communities which have been visited by such awful catastrophes as flood and tornado and hurricane.

Mr. YARBOROUGH. I thank the Senator for the clarification. I have one other inquiry. Under the previous administration of the Department of Agriculture, with respect to the soil-conservation program, the Department participated in the eradication of noxious trees and brush, and built dams and tanks for the catching of water on particular ranches; and the Federal Government, under the previous administration, through the Agricultural Department, put up 75 percent of the cost of that very important improvement program, consisting of drilling wells, building tanks, and the eradication of noxious trees and brush. However, under the present administration, the Federal Government's participation has been reduced to 50 percent.

Am I correctly informed that that is only because of a departmental ruling, and that the law has not been changed? Furthermore, do I understand correctly that the adoption of the conference report would not preclude the Federal Government from returning to the standard of 75 percent participation, if it wished to do so?

Mr. RUSSELL. There is nothing in the law which would prevent the Department from doing it, if it desired to do so. I believe, however, that the programs vary in the different States.

It may be that they vary for that particular type of work. There is a variation with respect to the various practices in the several States. For example, it costs more to carry some practices out in one State than it does in another State.

Mr. YARBOROUGH. As the drought conditions became worse in the Southwestern States and in the Midwestern States, and as the citizens of those States became less able to save their land, the Federal participation went down, and they were even less able to save themselves.

Mr. RUSSELL. In the administration of any program under Public Law 375 of the 81st Congress, which is the disaster relief law, the Department of Agriculture should certainly take note of the fact that the man with whom they are dealing has suffered great damages because of unusual conditions.

However, there is nothing in the law which would prevent the Department, in the administration of the ordinary agricultural conservation program, or, indeed, in connection with the conservation-reserve program under the soil bank, from making changes in the schedules.

Mr. YARBOROUGH. I thank the distinguished Senator for his very helpful clarification of the situation.

Mr. THYE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Minnesota.

Mr. THYE. First, as a member of the Committee on Agriculture and Forestry, and also of the Committee on Appropriations, I have endeavored to be present at all the important hearings of the subcommittee, and therefore I wish to join my colleagues, the Senator from Vermont [Mr. AIKEN], and the Senator from North Dakota [Mr. YOUNG], in the most emphatic statement that it was my understanding that no particular change was to be instituted in the agricultural conservation program.

Therefore I was surprised when I learned that a new policy was to be initiated within the Department of Agriculture. If such a policy had been made in the form of an official announcement, I would have opposed it. If in the future there is any departure from past practices in the program, I shall oppose it. The program has rendered a constructive service in affording soil protection to the Nation's fertile soil, thereby assuring to future generations a fertile soil for their use.

The other phase with which I am greatly concerned is the conservation aspect of the soil bank. The conservation phase of the program is certainly building up the fertility of the lands which need such aid. The acreage-reserve program is the only certain way of reducing the number of acres which are tilled and harvested annually. Unless an acreage reduction is brought about, no great reduction in the over-all harvest will be effected; and we must reduce the total bushelage and total poundage of cotton and other crops if we are to bring about a reduction in the surpluses.

I may say also that agriculture has no greater friend than the distinguished senior Senator from Georgia.

Mr. RUSSELL. I thank the Senator.

Mr. THYE. As one who, in part, represents strictly an agricultural State, I have always taken much comfort from the knowledge that we have such a great leader, not only on the Committee on Appropriations but in the Senate itself, as the Senator from Georgia [Mr. RUSSELL]. I may say the same for the Senator from North Dakota [Mr. YOUNG], who serves as the ranking Republican member of the subcommittee which handles agricultural appropriations, and who also has watched and studied the needs of the Department of Agriculture, and who has at all times endeavored to obtain sufficient money with which to carry on the program of the Department.

I say the same for the distinguished ranking Republican member on the Committee on Agriculture and Forestry,



the Senator from Vermont [Mr. Aiken]. He likewise has been very thorough in all his studies of what the agricultural appropriations should be and what the needs of the Department of Agriculture are, because he serves as a member of the Committee on Appropriations in an ex officio capacity when that committee is considering agricultural appropriations.

Therefore I wish to commend the distinguished Chairman and the other Senators I have mentioned for an exceedingly fine job.

Mr. RUSSELL. I thank the distinguished Senator from Minnesota. I thank him on my own behalf and on behalf also of the Senator from North Dakota and the Senator from Vermont.

Mr. YOUNG. I thank the Senator.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. STENNIS. As one who has heard the testimony before the subcommittee on the ACP program, I never dreamed that there would be any drastic change in the program, or that we would be appropriating money for anything other than the program as outlined in 1957.

I wish especially to commend the conferees for their positive statement in the report: "It is understood from the Department's justifications and testimony that the 1958 agricultural conservation program will be continued on the same basis as the 1957 program."

After the bill is enacted, where will we be, in view of the letter which has been referred to by the Senator from Vermont [Mr. Aiken], which I understand was addressed to the Senator from Louisiana [Mr. Ellender]?

Mr. RUSSELL. I think I can say to the distinguished Senator from Mississippi that the Department of Agriculture, whatever else may be its failings, generally undertakes to carry out the very positive mandates of the appropriations committee in its committee and conference reports. I expect the Department to follow the directive in the conference report. It has generally done so in the past, and I assume it will do so this year.

I believe the statement in the conference report has rendered that letter null and of no effect.

Mr. STENNIS. That is very good.

Mr. RUSSELL. It is null ab initio, because Congress has not completed its work on the appropriation bill.

Mr. STENNIS. The bill was approved by the conferees with that understanding, and I am sure the conference report will be approved by the Members of the Senate with the same understanding.

Mr. RUSSELL. I am sure it will be approved by the Senate with the same understanding. If any Senator has any views to the contrary, I hope he will express them. I understand I am expressing what I believe to be the unanimous will of the Senate in regard to this important agricultural conservation program, and I certainly do not expect the Department of Agriculture to do other than to be guided by the directive of Congress, which has provided funds for this program.

Mr. STENNIS. I thank the Senator.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Kentucky.

Mr. COOPER. I should like to join other Senators in saying that I was very happy to hear the distinguished Senator from Georgia announce that the conference committee had, in effect, directed the Department of Agriculture not to change any of the 1958 agricultural conservation programs in such a way as to restrict the eligibility requirements or to delete the cost sharing in the 1957 program. I take it that the Senator remembers that I also had this in mind on July 3, in a short speech I made on the floor of the Senate, when I protested against any changes, and urged the Secretary of Agriculture not to make such changes.

Mr. RUSSELL. I may say to the Senator from Kentucky that I heard his remarks on that occasion. The committee on conference had not at that time concluded its labors. The same news had reached me, and I brought it to the attention of the conferees. They unanimously agreed to the language which is contained in the conference report.

Mr. COOPER. There are two practices which are very important to my own State. I know the Senator from Georgia is familiar with those practices. One is the initial treatment of farmland to permit the use of legumes and grasses for soil improvement and protection. The Senator will remember that this practice is one in which the Government shares with the farmers the cost of applying lime, rock phosphate, and gypsum to their fields.

There is another practice, among others, which encourages the establishment of cover crops for winter or for summer protection from erosion, or for green manure.

I know the Senator from Georgia is familiar with both those practices. They are very important to my State, as I think they are also to most of the other Southern States.

Mr. RUSSELL. They are, indeed. The second practice which the Senator mentioned is more important to my State than is liming; but they are both very important.

Mr. COOPER. It is intended that those practices shall be continued?

Mr. RUSSELL. I would not even suspect that the Department of Agriculture would not conform to the very clear expression of the will of Congress.

Mr. COOPER. Mr. President, I ask unanimous consent that I may place a statement in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR COOPER

On July 3, I learned that the Department of Agriculture was considering eliminating or changing several of the cost-sharing practices under the agricultural conservation program. Among these practices was one designated as practice A-4, which is entitled "Initial Treatment of Farmland To Permit the Use of Legumes and Grasses for Soil Improvement and Protection." This is the practice under which the Government shares

with farmers the cost of applying lime, rock phosphate, and gypsum to their fields.

Among other cost-sharing practices which I understood were being questioned were those known as D-1, D-2, and D-3, to promote cover crops for protection against erosion, and for green manure. And there may have been other soil-conservation practices which were being questioned by the Department.

On the same day that I learned that there might be changes in the conservation program, July 3, I made a speech on the floor of the Senate protesting any changes in these practices, and urging the Secretary of Agriculture to see that these programs were continued.

I was glad to learn that, on July 5, the Senate and House members of the conference committee considering the conference report on the agricultural appropriation bill took notice of these proposed changes and some members have been kind enough to say of my speech on the Senate floor on July 3 against any changes, and write into the conference report, in connection with appropriation for the agricultural conservation program, these words:

"In agreeing to the fund for this purpose in the accompanying bill, the conferees direct that no change will be made in the 1958 agricultural conservation program to restrict eligibility requirements or delete cost-sharing practice included in the 1957 program."

At this point I insert as a part of my remarks the section from the conference report under the heading Agricultural Conservation Program:

#### "AGRICULTURAL CONSERVATION PROGRAM

"Amendment No. 21: Appropriates \$212 million as proposed by the Senate, and limits amount to be received by any one participant to \$2,500 as proposed by the House instead of \$1,500 as proposed by the Senate. It is agreed by the conference committee that the change in this limitation should not affect present or future allocations under the basic formula governing the distribution of funds to States under this appropriation.

"The amount appropriated, together with the balance of \$38 million available from the 1955 program, will provide the full \$250 million authorized for the 1957 program.

"The conferees believe that the conservation reserve program should not be used to curtail existing programs, particularly the agricultural conservation program. It is understood from the Department's justifications and testimony that the 1958 agricultural conservation program will be continued on the same basis as the 1957 program. In agreeing to the funds for this purpose in the accompanying bill, the conferees direct that no changes will be made in the 1958 agricultural conservation program to restrict eligibility requirements or delete cost-sharing practices included in the 1957 program. Floods and drought conditions in much of the Nation make it imperative that all 1957 program practices be continued in 1958.

"It is to be noted that the 1957 conservation reserve program is participated in by only 81,130 people at an estimated cost of \$133 million, whereas the 1957 agricultural conservation program is participated in by 1,275,000 farmers at an estimated Federal cost of about \$250 million.

"The conferees recommend that the Department revise its method of securing recommendations for practices covered by the proposed advance authorization for the 1959 agricultural conservation program by securing recommendations for cost-sharing practices from county and State committees at the time the 1958 program is formulated. This should result in economy of program administration, more timely recommendations for formulation of a national agricultural conservation program for 1959, and



should enable the Department to present any changes proposed in the 1959 program to the Congress during appropriation hearings next year."

I congratulate the Senate members of the conference committee, and the House members as well, for their prompt action to safeguard the conservation program during the coming year. This program is well administered by its officers in Washington, by our State committee, and county committees—as in my State of Kentucky—and it has been an invaluable help to farmers, particularly small farmers, in my State and throughout the Nation.

I would like to speak briefly about conservation and the agricultural conservation program.

#### NEED FOR CONSERVATION

This country and all its 171 million people have a vital interest in the conservation of our agricultural resources.

The abundance of agricultural resources is the chief reason for our abundance of food, clothing, and shelter required by a steadily growing population for a high standard of living. And our croplands, grazing lands and forests furnish 70 percent of the raw materials going into our great industries.

But we have used those resources heavily and often recklessly. Most of our croplands and nonforested grazing lands need conservation treatment to protect and improve them. And we have used up most of our virgin forests. Evidence of a dwindling water supply is seen in most parts of our country.

We are told that our increasing population will need by 1975, a third more food and double the amount of water for industrial, irrigation, and domestic purposes.

To meet the increasing demands in the years ahead, we must assure ourselves that, in the national interest, the agricultural soil and water resources are protected and improved. However, as a national policy, we do not expect farmers to try to do the job alone. To help producers get the conservation job done, the Congress has established various conservation services.

All these services are important and badly needed. One of the most important and most needed is the agricultural conservation program. The agricultural conservation program and the farmers work together to get conservation work done.

#### THE ACP

Under the ACP, cost-sharing assistance is available to producers to help them carry out approved conservation practices. In general, the costs are shared on pretty much a 50-50 basis. In some counties, where the need for assistance is great, the ACP may supply a slightly higher percentage of the total cost. In all cases, the farmer pays the balance and installs or arranges for the installation of the practices.

The Congress has based this cost-sharing principle on the fact that conserving soil and water resources is just as important to city people as to farmers. And upon the fact that farmers cannot do alone all that's needed in the interest of themselves or city people.

Conservation practices cost money. Often producers just don't have the money needed to build a dam and pond to hold water or to do everything that's needed to establish or improve a conservation cover on the land. Some practices don't bring in immediate profits. Some practices are needed much more for the benefit of people other than the farmers who own the land where the practices are established.

#### RESEARCH

In this connection, a Department of Agriculture publication of June this year reports research in cooperation with the Iowa Agricultural Experiment Station that bears on this.

This research showed that it took 4 to 5 years for conservation work to pay off in higher income, on the farmers studied. And that large additional costs were required for related materials not included in the conservation practices themselves. Loans were needed to buy the materials required by the conservation treatment—but not a part of the conservation work—in order to maintain farm income.

On this very point, research by the Wisconsin College of Agriculture shows that southwestern Wisconsin farmers are not inclined to take out loans for conservation purposes.

There are many such examples that illustrate the fact that most farmers cannot carry through all the needed conservation work on their own.

The Agricultural Conservation Program helps farmers along these lines through its cost-sharing provisions.

#### NINETEEN HUNDRED AND FIFTY-FIVE ACCOMPLISHMENTS

More farmers requested cost-sharing under the 1955 program for conservation on their farms and ranches than under the 1954 program. Practices were carried out on 1,142,025 farms and ranches. Farms and ranches participating in the 1955 program constituted about 36 percent of the cropland and about 34 percent of the total farmland in the country.

The gross average ACP cost-sharing assistance for the farmers who participated in the 1955 program was \$162 per farmer. This was an increase over the previous program by \$33 per farmer.

Here are illustrations of the type and extent of conservation measures carried out by farmers under the 1955 ACP:

Establishment of permanent cover for soil protection, 1,002,693 acres.

Establishment of contour stripcropping for erosion control, 218,693 acres.

Increasing the acreage of winter or summer annual protective cover to prevent erosion, 684,047 acres.

Establishment of contour farming on non-terraced land for erosion control, 393,837 acres.

Emergency tillage of cropland to control wind erosion, 10,472,492 acres.

Planting, interplanting, or replanting trees or shrubs for erosion control or forestry purposes, 150,216 acres.

Improvement of a stand of trees for erosion control or forestry purposes, 133,244 acres.

Constructing terraces to control the flow of water and check erosion, 744,028 acres.

Constructing or improving water facilities to permit proper pasture and range management as a means of protecting established vegetative cover for soil protection, 74,089 structures.

Establishing permanent sod waterways to dispose of excess water without causing erosion, 1,549,124,000 square feet.

Constructing diversion and spreader terraces, ditches, or dikes to intercept and divert excess water to protected outlets and spread water for erosion control and water conservation, 5,111 miles.

Constructing or improving dams for erosion control, 11,825 structures.

Installing, enlarging, or improving farm drainage systems to dispose of excess water, 1,362,218 acres drained adequately.

Liming materials applied to farmland to permit the use of conservation crops for soil protection and erosion control, 15,154,798 tons.

#### PROGRAM COMMENTS

The ACP places a great deal of responsibilities on local committees for adapting practices to accomplish the most conservation to best meet local needs and problems. This enabled counties to give more emphasis to practices most needed locally.

County farmer committees work hard to help farmers make needed land use adjustments to increase the amount of conservation accomplished. Committees have had authority to adjust rates of cost for some practices under certain conditions in order to reach desired levels of conservation performance.

Cost-sharing is available to farmers for most of the practices essential on individual farms for watershed improvement and flood prevention. Most practices in the ACP have direct value for flood prevention and proper watershed management.

The ACP emphasizes practices that give longtime benefits, but not to the exclusion of other needed conservation practices. The ACP encouraged farmers to follow conservation measures which will lead to sound systems of conservation farming, which give more enduring protection to the agricultural resources, and which improve their productive capacity. As an example of the trend, water practices are being established in many States at a much faster rate now than before.

#### CURRENT SITUATION

The costs of farm conservation are up. The costs of things that farmers have to buy are up. Net income from farming is low.

Under this situation farmers are less inclined to spend money (often money they'd have to borrow) for conservation.

Therefore, there is a particularly urgent need for cost-sharing for agricultural conservation at the present time.

#### FACTS ABOUT THE ACP IN KENTUCKY

The other comments on ACP apply equally to Kentucky.

The program has been of untold benefit to Kentucky's farmers and resources. Much of our State is subject to serious erosion. It is rolling country. Our farms are pretty largely, small farms. Farm family income has not kept up with the income of the Nation as a whole.

ACP has helped our farmers keep their soil on our hillsides by providing financial help that has encouraged them to use grasses and legumes \* \* \* the best kind of erosion control we can use. Those grasses and legumes need lime and phosphate to make them effective in holding our precious topsoil in place.

1955 is a fairly typical year for the program in the State. In that year, Kentucky farmers established a great amount of conservation under the ACP. For example:

They established or improved land cover for needed soil protection this much: 97,000 acres of permanent cover; 93,000 acres of rotation seedings increased; and 163,000 acres of annual cover.

They used 1.2 million tons of liming materials to permit the use of conservation cover for soil protection and erosion control.

They drained 14,000 acres of farmland to permit conservation farming.

They put in 5,900 new livestock water developments.

They controlled competitive shrubs on 20,710 acres.

These and many other ACP cost-sharing conservation practices helped Kentucky farmers to do a fine job of protecting and improving their agricultural resources. I support the program.

I am glad that the conferees on the agriculture appropriations bill have declared their support in clear terms.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MUNDT. I associate myself, as a member of the committee of conference, with the statement made on the floor in connection with the agricultural conservation program, and the expectation and the insistence of the committee of conference that it be carried out



in conformity with the mandate of Congress. I wish to advert, however, to a slightly different phase of the conference report.

I think that one of the great results of the Senate action and the conference action was the continuation of the acreage-reserve program. In connection with that, there was a dispute between the position of the House and the position of the Senate. The Senate proposed a \$5,000 limitation on the payments to a single producer, and the House proposed \$2,500. The conference finally settled on \$3,000. That amount was agreed upon as part of sort of a package arrangement through a series of compromises, so I do not want our colleagues to think that we tried to cut the melon in half and missed it as completely as it might appear.

Mr. RUSSELL. We had to save the conservation program and the soil bank.

Mr. MUNDT. That is correct. After a long series of negotiations, we arrived at this solution. However, I wish to establish a little legislative history on the floor in connection with one word which appears in the conference report, and which, if misinterpreted, could work tremendous injury to the tenant farmers of the country. On page 7 of the conference report is a statement which reads:

The managers on the part of the House intend to offer a motion to recede and concur with an amendment limiting payments to any one producer to \$3,000 instead of \$2,500 as proposed by the House, and \$5,000 as proposed by the Senate.

We ought to think a little about the word "producer." If "producer" were to be interpreted by the Department as a farm owner, for example, it would mean in a great many areas of the country direct discrimination against tenant farmers, because in my section of the country, and in other sections of the country, as well, a single farm owner, and not necessarily a very opulent one, may own 2, 3, or 4 different farms which he rents to 2, 3, or 4 different tenants.

If the word "producer" were to be interpreted as meaning a farm owner, it would mean that if he had a \$3,000 payment on acreage reserve cooperation with tenant A, then tenants B, C, and D, to whom the owner also rents farms, would be precluded entirely from participating in the soil bank program. I am perfectly convinced that the conferees and the conference did not intend to discriminate as among tenants. What we were trying to do, both in the \$2,500 and the \$5,000 limitation, was to establish a ceiling to avoid unduly large payments to a single farm operation.

So I think it should be established in the RECORD here and now that what we had in mind in conference was really a \$3,000 limitation on a single farm operation or on a single farm; that it is the producer we have in mind, rather than a farm owner who might own several farms. In my own State of South Dakota, frequently there are widows who support themselves from the income of 2, 3, or 4 pieces of property which they rent on shares to different tenants.

I should like to establish with the chairman of the Senate Subcommittee on Agriculture Appropriations the fact

that we were not trying to discriminate among tenants; we were thinking in terms of the producer, as that word applies to the operator of a single farm, rather than to the individual who might own several farms, and thereby, by working out some acreage reserve contract with one tenant farmer, preclude himself from participating with other tenants on different farms to the disadvantage of those other tenants.

Mr. RUSSELL. We said that no one producer could get more than \$3,000. It seems to me that that is perfectly clear. We did not say "one farmer." We said "one producer." We did not say "one landowner"; we said "one producer."

Mr. MUNDT. Yes; but the word "producer" lends itself to several definitions.

Mr. RUSSELL. To me it means a person working a farm somewhere.

Mr. MUNDT. That is what it means to me.

Mr. RUSSELL. Whether it be 1 acre or 4 acres. It means one farming operation on a single piece of land.

Mr. MUNDT. That is precisely correct. I wanted to establish that for the RECORD, in case some solicitor in the Department might have a second cousin who is a lexicographer, who might say that by "producer" is meant anyone who owns land from which crops are produced and thus preclude him from exceeding his personal \$3,000 income from the acreage reserve by virtue of the fact he owns and rents several farms to several tenants.

Mr. RUSSELL. I think one producer could be a man who owned several farms and worked them all by self-help. But if he had a tenant on each farm, each tenant would be a producer.

Mr. MUNDT. I think that is correct. And our legislative history now clearly shows the intent of Congress to be precisely that.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. I endorse the interpretation of the meaning of a single producer. I also point out that I was rather disappointed when the Senate conferees could not get the House conferees to agree to any amount higher than the \$3,000 limit. That will limit the effectiveness of the acreage reserve to some extent. I have no sympathy with \$200,000 or \$300,000 payments, but the limitation of \$3,000 is too low for this type of program.

Mr. RUSSELL. I assure my friend from Vermont that we struggled violently, and the conference almost split on that very point. It came to a question of whether we were going to take \$250 million for conservation reserve and a \$4,000 limitation. Finally, we got \$325 million for the acreage reserve and a \$3,000 limitation. We did not succeed because of a lack of diligence, persistence, and endeavor. The House was anxious to take that provision back to have a separate vote on it. We are trying desperately to keep them from doing so. I think that if the Senator from Vermont had been present, he would have thought we did very well,

under the actual conditions which confronted us.

Mr. AIKEN. I have been a member of conferences with Members of the House myself, and I know how insistent the House conferees can be.

I realize that the Senate conferees fought, bled, and almost died in order to preserve the \$5,000 minimum. I know that \$3,000 was all we could possibly agree on in this particular program. We cannot expect to get quite as complete results from the acreage reserve as we would if we had the higher limitation.

Mr. MUNDT. What the Senator from Georgia has said is exactly correct. We tried every conceivable way to hold the figure closer to the \$5,000 level, and not to recede to the extent to which we had to recede. But the House was adamant. At no other time in the present session of Congress have I found the process of compromise more difficult to negotiate, save only in the proposed civil-rights legislation with which the Senate is now concerned.

Mr. AIKEN. I have raised the question so that if the results from the acreage reserve are not what we hoped they would be, the limitation of payments at a low level will be shown to be a contributing factor.

Mr. RUSSELL. That is undoubtedly true. I think even the original Senate figure of \$5,000 was perhaps somewhat low.

Mr. AIKEN. I agree with the Senator from Georgia on that. If the amount had been twice that figure it would probably have been more realistic.

Mr. CARLSON. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. CARLSON. I had not intended to get into the discussion of high payments. I think most Senators know that one of the highest payments in the Nation was made to a Kansas wheat farmer—\$61,000. But I remind the Senate that in his farming activities 26 farm families were engaged and there were 26 farms. If it is proposed to reduce the \$61,000 payments for this large operation to \$3,000, we will not be carrying out the policy of getting acreage reductions or participation in the conservation reserve programs. No one wants to continue high payments; but if there is to be a program which will take crops out of production, it will be necessary to take care of large farms.

Mr. RUSSELL. Anyone who is familiar with the details of the acreage reserve soil bank programs knows the limitation on any one producer is not consistent with the purposes and policies of the act. The Senator from Kansas has been a Member of this body for a long time. He knows we are constantly confronted with conditions, not with theories, in matters of this kind. Every Senator has some agricultural interest in his State. It may be small in some cases, and paramount in others.

But there is another body which has to do with this bill, and as to about 200 Members of that body, the only farming carried on among their constituents is done in flower pots and flower boxes. They approach these matters from a position somewhat different from that of a



Senator who is trying to represent real farming areas.

Mr. CARLSON. Mr. President, I rose for the purpose of commending the Senator from Georgia. I have listened to the debate on the floor of the Senate regarding what I believe is the intent of the Senate in so far as carrying out the ACP program is concerned. I cannot conceive that the Department of Agriculture will not carry it out in the way the Senate expects it to be carried out.

I desire to commend the distinguished senior Senator from Georgia [Mr. RUSSELL]. I have never had any fear regarding agricultural programs or appropriations, so long as they were established or made under the leadership of the able Senator from Georgia.

Mr. RUSSELL. I thank the Senator from Kansas.

Mr. President, I move that the report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

The PRESIDING OFFICER. The Chair lays before the Senate a message from the House of Representatives, which will be read.

The legislative clerk read as follows:

IN THE HOUSE OF REPRESENTATIVES,

UNITED STATES,

July 9, 1957.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12 to the bill (H. R. 7441) entitled "An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the sum of "\$5,000" proposed in said amendment, insert "\$3,000."

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendment of the House of Representatives to the amendment of the Senate numbered 24.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a table on the agricultural appropriation bill, showing a comparative statement of the appropriations and authorizations for 1957 and the budget estimates and the amounts recommended in the bill for 1958, together with the conference allowances.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*Comparative statement of appropriations and authorizations for 1957 and estimates and amounts recommended in bill for 1958 together with conference allowances*

REGULAR ACTIVITIES (TITLE I)

| Agency and item  | Appropriation,<br>1957 | Estimates,<br>1958 | Amounts recommended in<br>House bill | Amounts recommended in<br>Senate bill | Conference allowance,<br>1958 |
|--|------------------------|--------------------|--------------------------------------|---------------------------------------|-------------------------------|
| <b>Agricultural Research Service:</b>                            |                        |                    |                                      |                                       |                               |
| Salaries and expenses:   |                        |                    |                                      |                                       |                               |
| Research.....  | \$53,786,000           | \$60,875,000       | \$48,994,890                         | \$58,794,890                          | \$57,794,890                  |
| Plant and animal disease and pest control.....                   | 28,794,000             | 26,952,000         | 25,682,000                           | 26,082,000                            | 26,082,000                    |
| Meat inspection.....   | 15,650,000             | 18,718,000         | 16,586,000                           | 16,826,000                            | 16,826,000                    |
| Total, salaries and expenses.....                                | 92,230,000             | 106,545,000        | 91,262,890                           | 101,702,890                           | 100,702,890                   |
| State experiment stations:                                       |                        |                    |                                      |                                       |                               |
| Payments to States, Hawaii, Alaska, and Puerto Rico.....         | 29,503,708             | 34,003,708         | 29,503,708                           | 30,503,708                            | 30,353,708                    |
| Penalty mail.....  | 250,000                | 250,000            | 250,000                              | 250,000                               | 250,000                       |
| Total, State experiment stations.....                            | 29,753,708             | 34,253,708         | 29,753,708                           | 30,753,708                            | 30,603,708                    |
| Animal disease laboratory facilities.....                        | 16,250,000             | 0                  |                                      |                                       |                               |
| Total, Agricultural Research Service.....                        | 144,233,708            | 140,798,708        | 121,016,598                          | 132,456,598                           | 131,306,598                   |
| <b>Extension Service:</b>  |                        |                    |                                      |                                       |                               |
| Payments to States, Hawaii, Alaska, and Puerto Rico.....         | 49,101,000             | 54,365,000         | 49,101,000                           | 50,865,000                            | 50,715,000                    |
| Retirement costs for extension agents.....                       | 0                      | 5,260,000          | 5,260,000                            | 5,260,000                             | 5,260,000                     |
| Penalty mail.....  | 2,164,000              | 2,164,000          | 2,164,000                            | 2,164,000                             | 2,164,000                     |
| Federal Extension Service.....                                   | 2,000,000              | 2,341,000          | 2,096,540                            | 2,096,540                             | 2,096,540                     |
| Total, Extension Service.....                                    | 53,265,000             | 64,130,000         | 58,621,540                           | 60,385,540                            | 60,235,540                    |
| <b>Farmer Cooperative Service:</b>                               | 550,000                | 578,000            | 578,000                              | 578,000                               | 578,000                       |
| <b>Agricultural Marketing Service:</b>                           |                        |                    |                                      |                                       |                               |
| Marketing Research and Service:                                  |                        |                    |                                      |                                       |                               |
| Marketing research and agriculture estimates.....                | 13,437,000             | 15,482,500         | 14,041,700                           | 14,141,700                            | 14,116,700                    |
| Marketing services.....  | 13,020,000             | 15,186,000         | 14,274,900                           | 14,324,900                            | 14,274,900                    |
| Total, Marketing research and service.....                       | 26,457,000             | 30,668,500         | 28,316,600                           | 28,466,600                            | 28,391,600                    |
| Payments to States, Territories, and possessions.....            | 1,160,000              | 1,260,000          | 1,160,000                            | 1,160,000                             | 1,160,000                     |
| School-lunch program.....  | 100,000,000            | 100,000,000        | 100,000,000                          | 100,000,000                           | 100,000,000                   |
| Total, Agricultural Marketing Service.....                       | 127,617,000            | 131,928,500        | 129,476,600                          | 129,626,600                           |                               |
| Foreign Agricultural Service.....                                | 3,750,000              | 4,383,500          | 3,902,300                            | 4,052,300                             | 4,002,300                     |
| Commodity Exchange Authority.....                                | 787,400                | 832,000            | 832,000                              | 832,000                               | 832,000                       |
| <b>Commodity Stabilization Service:</b>                          |                        |                    |                                      |                                       |                               |
| Acreage allotments and marketing quotas.....                     | 40,963,000             | 43,000,000         | 40,715,000                           | 40,715,000                            | 40,715,000                    |
| Sugar Act program.....   | 67,600,000             | 72,200,000         | 67,662,500                           | 67,662,500                            | 67,662,500                    |
| Total, Commodity Stabilization.....                              | 108,563,000            | 115,200,000        | 108,377,500                          | 108,377,500                           | 108,377,500                   |
| Federal crop insurance.....                                      | 6,210,000              | 7,300,000          | 6,376,700                            | 6,376,700                             | 6,376,700                     |
| Rural Electrification Administration, salaries and expenses..... | 8,600,000              | 9,629,000          | 9,030,950                            | 9,030,950                             | 9,030,950                     |
| Farmers' Home Administration, salaries and expenses.....         | 27,750,000             | 30,000,000         | 29,089,500                           | 29,089,500                            | 29,089,500                    |
| Office of General Counsel.....                                   | 2,785,000              | 3,172,000          | 2,943,000                            | 2,943,000                             | 2,943,000                     |
| Office of Secretary.....   | 2,500,000              | 2,726,000          | 2,640,660                            | 2,664,060                             | 2,660,660                     |
| Office of Information.....                                       | 1,325,000              | 1,465,000          | 1,367,500                            | 1,367,500                             | 1,367,500                     |
| Library.....   | 735,000                | 824,000            | 772,000                              | 772,000                               | 772,000                       |
| <b>Soil and water conservation:</b>                              |                        |                    |                                      |                                       |                               |
| Soil Conservation Service:                                       |                        |                    |                                      |                                       |                               |
| Conservation operations.....                                     | 67,500,000             | 73,545,000         |                                      | 73,545,000                            | 72,545,000                    |
| Watershed protection.....  | 17,500,000             | 25,500,000         |                                      | 25,500,000                            | 25,500,000                    |
| Flood prevention.....  | 12,000,000             | 13,220,000         |                                      | 13,220,000                            | 13,220,000                    |
| Water conservation and utilization projects.....                 | 232,000                | 350,000            |                                      | 350,000                               | 350,000                       |
| Total, Soil Conservation Service.....                            | 97,232,000             | 112,615,000        |                                      | 112,615,000                           | 111,615,000                   |
| Great Plains program.....  |                        | 20,000,000         |                                      | 10,000,000                            | 10,000,000                    |
| Agricultural conservation program.....                           | 227,500,000            | 237,000,000        |                                      | 212,000,000                           | 212,000,000                   |
| Conservation reserve program, soil bank.....                     | (450,000,000)          | 298,826,660        |                                      | 162,940,000                           | 162,940,000                   |
| Total, soil and water conservation:                              |                        |                    |                                      |                                       |                               |
| On appropriation basis.....                                      | 324,732,000            | 668,441,660        | 535,000,000                          | 497,555,000                           | 496,555,000                   |
| On comparative basis.....  | 774,732,000            | 668,441,660        | 535,000,000                          | 497,555,000                           | 496,555,000                   |

Footnotes at end of table.



Comparative statement of appropriations and authorizations for 1957 and estimates and amounts recommended in bill for 1958 together with conference allowances—Continued

## REGULAR ACTIVITIES (TITLE D)—Continued

| Agency and item                      | Appropriation,<br>1957         | Estimates,<br>1958 | Amounts recommended in<br>House bill | Amounts recommended in<br>Senate bill | Conference<br>allowance,<br>1958 |
|--------------------------------------|--------------------------------|--------------------|--------------------------------------|---------------------------------------|----------------------------------|
| Acreage reserve program, soil bank:  |                                |                    |                                      |                                       |                                  |
| On appropriation basis.....          |                                | \$701, 173, 340    | \$600, 000, 000                      | \$600, 000, 000                       | \$600, 000, 000                  |
| On comparative basis.....            | <sup>1</sup> (\$750, 000, 000) | 701, 173, 340      | 600, 000, 000                        | 600, 000, 000                         | 600, 000, 000                    |
| Total, regular activities (Title D): |                                |                    |                                      |                                       |                                  |
| On appropriation basis.....          | 813, 403, 108                  | 1, 882, 581, 708   | 1, 610, 024, 848                     | 1, 586, 107, 248                      | 1, 582, 678, 848                 |
| On comparative basis.....            | <sup>2</sup> 2, 013, 403, 108  | 1, 882, 581, 708   | 1, 610, 024, 848                     | 1, 586, 107, 248                      | 1, 582, 678, 848                 |

<sup>1</sup> Third supplemental appropriation bill, 1957, now pending includes \$250,000 for penalty, mail costs of State experiment stations and additional \$514,000 for penalty mail for State extension services, to be derived by transfer from "Payments to States, etc.," Extension Service.

<sup>2</sup> 1st year's program authorized to be financed from Commodity Credit Corporation funds in lieu of direct appropriation, with subsequent reimbursement to CCC.  
<sup>3</sup> Includes authorized spending from CCC for 1957 soil bank.

## CORPORATIONS (TITLE II)

|  |                             |                  |                  |                  |                  |
|--|-----------------------------|------------------|------------------|------------------|------------------|
| Federal Crop Insurance Corp.:          |                             |                  |                  |                  |                  |
| Subscription to capital stock.....     | \$13, 000, 000              | 0                |                  |                  |                  |
| Administrative expense limitation..... | (2, 000, 000)               | (\$2, 000, 000)  | (\$2, 000, 000)  | (\$2, 000, 000)  | (\$2, 000, 000)  |
| Commodity Credit Corp.:                |                             |                  |                  |                  |                  |
| Restoration of capital impairment..... | 929, 287, 178               | 1, 239, 788, 671 | 1, 239, 788, 671 | 1, 239, 788, 671 | 1, 239, 788, 671 |
| Administrative expense limitation..... | <sup>4</sup> (33, 000, 000) | (38, 400, 000)   | (34, 398, 000)   | (35, 398, 000)   | (35, 398, 000)   |
| Total, corporations.....               | 942, 287, 178               | 1, 239, 788, 671 | 1, 239, 788, 671 | 1, 239, 788, 671 | 1, 239, 788, 671 |

<sup>4</sup> Third supplemental, 1957, provided \$2,000,000 in addition to regular bill for 1957.

## SPECIAL ACTIVITIES (TITLE III)

|   |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|
| Reimbursements to Commodity Credit Corporation: |                |                |                |                |                |
| Animal disease eradication.....                 | \$13, 060, 954 | \$18, 581, 660 | \$18, 581, 660 | \$18, 581, 660 | \$18, 581, 660 |
| Grading and classing.....                       | 367, 740       | 80, 449        | 80, 449        | 80, 449        | 80, 449        |
| Special commodity disposal.....                 | 257, 420, 988  | 824, 414, 129  | 824, 414, 129  | 824, 414, 129  | 824, 414, 129  |
| Total reimbursements to CCC.....                | 270, 849, 682  | 813, 076, 238  | 843, 076, 238  | 843, 076, 238  | 843, 076, 238  |

## RELATED AGENCIES (TITLE IV)

|   |                               |                  |                  |                  |                  |
|---|-------------------------------|------------------|------------------|------------------|------------------|
| Farm Credit Administration.....                           | (\$2, 230, 000)               | (\$2, 200, 000)  | (\$2, 200, 000)  | (\$2, 200, 000)  | (\$2, 200, 000)  |
| Federal Farm Mortgage Corporation.....                    | (550, 000)                    | ( <sup>5</sup> ) | ( <sup>6</sup> ) | ( <sup>6</sup> ) | ( <sup>6</sup> ) |
| Federal intermediate credit banks.....                    | (1, 932, 000)                 | (3, 375, 000)    | (3, 375, 000)    | (3, 375, 000)    | (3, 375, 000)    |
| Production credit corporations.....                       | (1, 644, 000)                 | ( <sup>6</sup> ) | ( <sup>6</sup> ) | ( <sup>6</sup> ) | ( <sup>6</sup> ) |
| Total, Farm Credit Administration.....                    | (6, 356, 000)                 | (5, 575, 000)    | (5, 575, 000)    | (5, 575, 000)    | (5, 575, 000)    |
| Commission on increased use of agricultural products..... | 150, 000                      |                  |                  |                  |                  |
| Total, titles I through IV:—                              |                               |                  |                  |                  |                  |
| On appropriation basis.....                               | 2, 026, 689, 968              | 3, 965, 446, 617 | 3, 692, 889, 757 | 3, 668, 972, 157 | 3, 666, 543, 757 |
| On comparative basis.....                                 | <sup>7</sup> 3, 226, 689, 968 | 3, 965, 446, 617 | 3, 692, 889, 757 | 3, 668, 972, 157 | 3, 666, 543, 757 |

<sup>5</sup> Indefinite authorization proposed.

<sup>6</sup> Consolidated with "Administrative expenses, Federal intermediate credit banks."

<sup>7</sup> Includes authorized spending from CCC for 1957 soil bank.

## LOAN AUTHORIZATIONS

|  | Authoriza-<br>tions, 1957    | Estimates,<br>1958 | Amounts<br>recommended<br>in House bill | Amounts<br>recommended<br>in Senate bill | Conference<br>allowance<br>1958 |
|--|------------------------------|--------------------|---|--|---------------------------------|
| Rural Electrification Administration:            |                              |                    |   |  |                                 |
| Electrification.....                             | <sup>8</sup> \$414, 000, 000 | \$179, 000, 000    | \$179, 000, 000                         | \$179, 000, 000                          | \$179, 000, 000                 |
| Telephone.....                                   | 100, 000, 000                | 60, 000, 000       | 60, 000, 000                            | 60, 000, 000                             | 60, 000, 000                    |
| Total Rural Electrification Administration.....  | 514, 000, 000                | 239, 000, 000      | 239, 000, 000                           | 239, 000, 000                            | 239, 000, 000                   |
| Farmers' Home Administration:                    |                              |                    |   |  |                                 |
| Farm ownership and farm housing.....             | <sup>9</sup> 474, 000, 000   | 50, 000, 000       | 24, 000, 000                            | 24, 000, 000                             | 24, 000, 000                    |
| Farm operation (production and subsistence)..... | 180, 000, 000                | 180, 000, 000      | 180, 000, 000                           | 180, 000, 000                            | 180, 000, 000                   |
| Soil and water conservation.....                 | 5, 500, 000                  | 5, 500, 000        | 5, 500, 000                             | 5, 500, 000                              | 5, 500, 000                     |
| Total Farmers' Home Administration.....          | 659, 500, 000                | 235, 500, 000      | 209, 500, 000                           | 209, 500, 000                            | 209, 500, 000                   |
| Total loan authorization.....                    | 1, 173, 500, 000             | 474, 500, 000      | 448, 500, 000                           | 448, 500, 000                            | 448, 500, 000                   |

<sup>8</sup> Includes \$200,000,000 additional authorized in Second Urgent Deficiency Appropriation Act, 1957.

<sup>9</sup> Includes \$450,000,000 authorized in Public Law 1020 for farm housing loans for

use during fiscal years 1957 to 1961, inclusive, of which \$50,000,000 is programmed for use in fiscal 1958. In addition to this amount, the third supplemental bill, 1957 includes \$26,000,000 for farm ownership loans.

## PERMANENT AUTHORIZATIONS

|  | Authoriza-<br>tions, 1957 | Estimates,<br>1958 | Conference<br>allowance <sup>12</sup> |
|--|---------------------------|--------------------|---------------------------------------|
| Agricultural Marketing Service:  |                           |                    |                                       |
| Removal of surplus agricultural commodities <sup>10</sup> .....        | \$199, 976, 003           | \$223, 500, 000    | <sup>12</sup> \$223, 500, 000         |
| Perishable Agricultural Commodities Act fund <sup>11</sup> .....       | 546, 000                  | 675, 000           | <sup>12</sup> 675, 000                |
| Total Agricultural Marketing Service.....                              | 200, 522, 003             | 224, 175, 000      | <sup>12</sup> 224, 175, 000           |
| Commodity Stabilization Service: National Wool Act <sup>11</sup> ..... | 2, 020, 975               | 35, 000, 000       | <sup>12</sup> 35, 000, 000            |
| Total, permanent appropriations.....                                   | 202, 542, 978             | 259, 175, 000      | <sup>12</sup> 259, 175, 000           |

<sup>10</sup> General fund accounts.

<sup>11</sup> Special fund accounts.

<sup>12</sup> House and Senate approved estimates.



## EXPRESSION OF APPRECIATION

Mr. JOHNSON of Texas. Mr. President, I desire to express my appreciation of the cooperation of the Senate and, in particular, of the distinguished Senator from New Mexico [Mr. CHAVEZ], the distinguished Senator from Georgia [Mr. RUSSELL], and the distinguished Senator from Rhode Island [Mr. GREEN], for the handling of the various measures which have been before the Senate today. The Senate has disposed of two important conference reports—action which was very greatly needed—and the Senate has also sent the important mutual-aid bill to conference. All of us hope that it will soon be possible for the two Houses to reach agreement on that measure.

I want the Senate and the country to know that these three distinguished Senators, who have led their colleagues in these endeavors, are extremely deserving of the praise of all of us and of all the people; and I desire to express my gratitude to them.

## RECENT DECISIONS OF THE SUPREME COURT OF THE UNITED STATES

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the RECORD three newspaper articles which have come to my attention.

The first article is entitled "Self-Preservation: United States Bar Group Urges Legislation To Overcome Top Court Decisions." The article was published in the State, of Columbia, S. C.

The second article is entitled "Jurists Look at Supreme Court." The article was written by the noted writer, David Lawrence, and was published in the Washington Star of July 26, 1957.

The third article is entitled "Mallory Ruling Held Invitation to Crime," and was published in the Washington Star of July 25, 1957.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S. C.) State of July 26, 1957]

## SELF-PRESERVATION: UNITED STATES BAR GROUP URGES LEGISLATION TO OVERCOME TOP COURT DECISIONS

LONDON, July 25.—The American Bar Association's committee on communism called today for legislation to overcome the effect of recent United States Supreme Court decisions. It said mankind's first law, the right of self-preservation, is involved in the struggle against subversion.

The association's house of delegates applauded vigorously as it heard the chairman, former Democratic Senator Herbert R. O'Connor of Maryland, deliver the committee's warning to the courts against overzealous protection of theoretical individual rights.

No action was taken on the committee's recommendations, but it was instructed to continue its studies.

United States Chief Justice Earl Warren, who is attending the convention, was not present as O'Connor delivered the report. Warren and Justice John M. Harlan sat as observers today on the bench of the British Court of Appeals.

The committee put before the 3,000 delegates attending the London session of the association's 80th annual convention recom-

mendations for legislation which would accomplish these things:

1. Safeguard the confidential nature of FBI files.

2. Give congressional committees the same freedom to investigate communism as they have always had in investigating businessmen and labor leaders.

3. Sanction the right of the Federal Government to discharge security risks even if they hold nonsensitive posts.

4. Give the Department of Justice the right to question aliens awaiting deportation about any subversive associations.

5. Correct the impression that the Smith Act was not intended to prohibit advocacy and teaching of forcible overthrow as an abstract principle.

6. Permit schools, universities, bar associations, and other organizations to set standards that would exclude those who refuse to testify fully about their past Communist activities.

"It is traditional and right that our courts are zealous in protecting individual rights," the committee declared. "It is equally necessary that the executive and legislative branches take effective action to gird our country against Communist infiltration and aggression.

"If the courts lean too far backward in the maintenance of theoretical individual rights, it may be that we have tied the hands of our country and have rendered it incapable of carrying out the first law of mankind—the right of self-preservation. \* \* \*

"Our committee concludes that legislation introduced to overcome the effect of Supreme Court decisions to be in the public interest."

A cardinal point in the committee's recommendations is that Government secrets on many matters, including those in FBI files, should not be opened wide to enable persons accused of crimes to prepare defenses.

O'Connor said the question was raised in connection with the Supreme Court decision of last month, which held an accused person is entitled to have access to pertinent statements that prosecution witnesses have made to the Government.

"We are in firm agreement with the Court's views that the accused's right to make an adequate defense must not be jeopardized by arbitrary withholding of pertinent documents by the prosecution," O'Connor said.

But the court ruling, he added, raises the danger that secret files would be opened, having little or nothing to do with the case under consideration, and which might yield information important to national security.

The committee declared there is a need for legislation pinpointing information that a defendant might require.

"The desire to preserve liberty in all its forms, and the absolute necessity of protecting our countries and families from international communism pose a problem that is very difficult," O'Connor's committee said.

"England and the United States have for centuries cherished the ideal that uniformity of opinion among citizens is neither desirable nor obtainable. On the other hand, we are not so blind as to think communism is merely another shade of political opinion. The dilemma that confronts our two countries is monumental.

"The duty of the bar to play an important part in finding a solution of the dilemma is self-evident. We must strive to find the proper balance between liberty and authority."

[From the Washington Evening Star of July 26, 1957]

## JURISTS LOOK AT SUPREME COURT; CHIEF JUSTICES OF STATE HIGH TRIBUNALS REPORTED CRITICIZING TRANSGRESSIONS

(By David Lawrence)

Criticism from laymen and lawyers concerning recent decisions of the Supreme

Court of the United States has lately been attracting much attention, but how do some of the judges throughout the country feel about the highest court?

There are not many opportunities for judges to discuss these matters publicly. But something that occurred the other day at the conference of the chief justices of the highest courts of each of the 48 States throws a light on this question. A substantial number of the State chief justices favored a resolution condemning in the severest terms some of the recent decisions of the Supreme Court of the United States.

Here is the full text of the resolution offered by Chief Justice Norman F. Arterburn of the Supreme Court of Indiana:

"Be it resolved, That it is our opinion that the United States Supreme Court has transgressed sound legal principles, and in particular, usurped factfinding functions in weighing the evidence in the recent cases of *Konigsberg v. State Bar of California* and *Schwartz v. Board of Bar Examiners of the State of New Mexico*.

"Moreover, the United States Supreme Court has encroached upon the jurisdiction of the State courts in holding, among other things, that applicants seeking admission to the bars of the State of California and New Mexico, in examination as to their character and fitness to practice law in those respective States, may refuse to answer questions or enlighten the examining board about their past connections and associations in particular with Communists and communistic organizations.

"We declare the past acts and associations of applicants do reflect directly upon their character and fitness and are matters relevant for consideration. Whether or not one who went through a long economic depression should have had the strength of character, moral fiber and stamina to withstand the emotional appeals of Communists—as most good citizens did—or whether as a weakling he succumbs to such propaganda, is relevant in the analysis and determination of the character of such individuals. The United States Supreme Court is wrong in holding that such acts are of no value in such determination.

"Decisions which are not founded on sound legal principles or common sense tend to undermine confidence in the judicial system and respect for the courts.

"We further state that one who is unwilling to give freely all relevant information regarding his history and past associations casts doubts upon his moral character and fitness to practice law in any State of this Union; and such refusal is a relevant factor to be weighed and considered by a fact-finding body on character and fitness. We further declare that although the United States Supreme Court has the authority to fix its own standards of character and fitness to practice in the Federal courts we do not recognize nor concede that it may do so for the courts of the several States of this Union."

While almost a majority favored immediate adoption of the resolution, there were a number of justices who were in sympathy with it but felt that the subject should await a further report. Accordingly, a motion was made to appoint a committee to report back to the conference next year, and the resolution which was finally adopted declared that the chief justices were very much concerned with what the Supreme Court of the United States had ruled.

As for the decision in the *Konigsberg* case to which reference was made, this was decided by the Supreme Court of the United States by a 6-to-3 vote. Justices Frankfurter, Clark and Harlan dissented. In fact, Justice Harlan, in his lengthy dissent, wound up with this observation: "For me, today's decision represents an unacceptable intrusion into a matter of State concern."







Public Law 85-118  
85th Congress, H. R. 7441  
August 2, 1957

AN ACT

71 Stat. 329.

Making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, namely:

Department of  
Agriculture and  
Farm Credit Ad-  
ministration Ap-  
propriation Act,  
1958.

DEPARTMENT OF AGRICULTURE

TITLE I—REGULAR ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES<sup>\*</sup>

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$10,000, except for five buildings to be constructed or improved at a cost not to exceed \$20,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or 4 per centum of the cost of the building, whichever is greater:

58 Stat. 742.

60 Stat. 810.

58 Stat. 742.

Research: For research and demonstrations on the production and utilization of agricultural products, and related research and services, including administration of payments to State agricultural experiment stations; \$57,794,890: *Provided*, That the limitations contained herein shall not apply to \$1,955,000 for the construction, alteration, and repair of buildings, and acquisition of necessary land therefor by donation or exchange, or at a cost not to exceed \$5,000 for each facility;

Plant and animal disease and pest control: For operations and measures to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine and regulatory activities, as authorized by law; \$26,082,000, of which \$1,000,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954 (7 U. S. C. 148), to the extent necessary to meet emergency conditions: *Provided*, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm crops, or other property injured or destroyed as a result of plant insect and disease control activities except potatoes and tomatoes as authorized under the Golden Nematode Act: *Provided further*, That,

64 Stat. 765.  
31 USC 665.

52 Stat. 344.

68 Stat. 717.

62 Stat. 442.  
7 USC 150 note.



7 USC 150c.

in the discretion of the Secretary, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose, or for barberry eradication until a sum or sums at least equal to such expenditures shall have been made available by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act;

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products and the applicable provisions of the laws relating to process or renovated butter; \$16,826,000.

#### STATE EXPERIMENT STATIONS

7 USC 361a-361i.

60 Stat. 1089.

Payments to States, Hawaii, Alaska, and Puerto Rico: For payments to agricultural experiment stations to carry into effect the provisions of the Hatch Act, approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), as amended by the Act approved August 11, 1955 (69 Stat. 671), including administration by the United States Department of Agriculture, \$29,853,708; and payments authorized under section 204 (b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U. S. C. 1623), \$500,000; in all \$30,353,708.

Penalty mail: For penalty mail costs of agricultural experiment stations, under section 6 of the Hatch Act of 1887, as amended, \$250,000.

#### DISEASES OF ANIMALS AND POULTRY

61 Stat. 7;  
23 Stat. 31.  
21 USC 114c.

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, and the Act of May 29, 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111-122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, but not to exceed \$1,270,000 for eradication of vesicular exanthema of swine, to be available only in an emergency which threatens the livestock or poultry industry of the country, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts: *Provided*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

#### EXTENSION SERVICE

##### COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

67 Stat. 83.  
7 USC 347a, 348.  
60 Stat. 1089.  
7 USC 343.

Payments to States, Hawaii, Alaska, and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U. S. C. 341-348), and the Act of August 11, 1955 (69 Stat. 683-4), \$49,220,000; and payments and contracts for such work under section 204 (b)-205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623-1624), \$1,495,000; in all, \$50,715,000: *Provided*, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953, shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal

sum from non-Federal sources for expenditure during the current fiscal year.

Retirement costs for extension agents: For cost of employer's share of Federal retirement for cooperative extension employees, \$5,260,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$2,164,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U. S. C. 341-348), and the Act of August 11, 1955 (69 Stat. 683-4), and extension aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, \$2,096,540.

67 Stat. 83.

7 USC 347a, 348.

60 Stat. 1087.

#### FARMER COOPERATIVE SERVICE

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451-457), \$578,000.

44 Stat. 802.

#### AGRICULTURAL MARKETING SERVICE

##### MARKETING RESEARCH AND SERVICE

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627) and other laws, including the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 U. S. C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$10,000, except for two buildings to be constructed or improved at a cost not to exceed \$20,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or 3 per centum of the cost of the building, whichever is greater:

60 Stat. 1087.

58 Stat. 742.

Marketing research and agricultural estimates: For research and development relating to agricultural marketing and distribution, for analyses relating to farm prices, income and population, and demand for farm products, for crop and livestock estimates, and for acquisition of land, \$14,116,700: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and the consumer: *Provided further*, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report stating the intention of farmers as to the acreage to be planted in cotton, or for estimates of apple production for other than the commercial crop;

Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States, \$14,274,900, including not to exceed \$25,000 for employment at rates not to exceed \$50 per diem, except for employment in rate cases at not to exceed \$100 per diem pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to 201 (d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U. S. C. 1291) and section 203 (j) of the Agricultural Marketing Act of 1946.

58 Stat. 742.

60 Stat. 810.

52 Stat. 36.

60 Stat. 1088.

7 USC 1622.



71 Stat. 332.

PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

60 Stat. 1089.

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204 (b) of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623 (b)), \$1,160,000.

SCHOOL LUNCH PROGRAM

60 Stat. 230.

42 USC 1754.

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U. S. C. 1751-1760), \$100,000,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act.

FOREIGN AGRICULTURAL SERVICE

7 USC 1761-1768.

7 USC 1766.

7 USC 170f-t.

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (68 Stat. 908), and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$25,000 for representation allowances, and for expenses pursuant to section 8 of the Act approved August 3, 1956 (70 Stat. 1034), \$4,002,300: *Provided*, That not less than \$400,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That provisions of the Act of August 1, 1956 (70 Stat. 890-892), and provisions of a similar nature in appropriation Acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

COMMODITY EXCHANGE AUTHORITY

49 Stat. 1491.

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U. S. C. 1-17a), \$832,000.

COMMODITY STABILIZATION SERVICE

ACREAGE ALLOTMENTS AND MARKETING QUOTAS

52 Stat. 38.

For necessary expenses to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), \$40,715,000, of which not more than \$6,380,100 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938".

SUGAR ACT PROGRAM

61 Stat. 922.

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101-1160), \$67,662,500, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$2,124,500.

FEDERAL CROP INSURANCE CORPORATION

For operating and administrative expenses, \$6,376,700.

## RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), as follows:

49 Stat. 1363.

## LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act as follows: Rural electrification program, \$179,000,000, of which not to exceed \$20,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural electrification program; and rural telephone program, \$60,000,000, of which not to exceed \$10,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural telephone program.

7 USC 907,  
903.

## SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), \$9,030,950.

58 Stat. 742.  
60 Stat. 810.

## FARMERS' HOME ADMINISTRATION

To carry into effect the provisions of titles I, II, and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1000-1031); the Farmers' Home Administration Act of 1946 (7 U. S. C. 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C. Code 535; 60 Stat. 1062-1080); the Act of July 30, 1946 (40 U. S. C. 436-439); the Act of August 28, 1937, as amended (16 U. S. C. 590r-590x-3), for the development of facilities for water storage and utilization in the arid and semiarid areas of the United States; the provisions of title V of the Housing Act of 1949, as amended (42 U. S. C. 1471-1483), relating to financial assistance for farm housing; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U. S. C. 440-444); the items "Loans to farmers, 1948 flood damage" in the Act of June 25, 1948 (62 Stat. 1038), and "Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); the collecting and servicing of credit sales and development accounts in water conservation and utilization projects (53 Stat. 685, 719), as amended and supplemented (16 U. S. C. 590y, z-1 and z-10); and the Act to direct the Secretary of Agriculture to convey certain mineral interests, approved September 6, 1950 (7 U. S. C. 1033-1039), as follows:

50 Stat. 522.

60 Stat. 711.

50 Stat. 869;

63 Stat. 735.

63 Stat. 432.

64 Stat. 98.

53 Stat. 1418;

54 Stat. 1119.

64 Stat. 769.

## LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that Act, as

50 Stat. 531.

7 USC 1024.

63 Stat. 432, 438.

42 USC 1471, 1481.



50 Stat. 522, amended): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, \$24,000,000, of which not to exceed \$2,500,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, \$180,000,000; the Act of August 28, 1937, as amended, \$5,500,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

## SALARIES AND EXPENSES

For making, servicing, and collecting loans and insured mortgages, the servicing and collecting of loans made under prior authority, the liquidation of assets transferred to Farmers' Home Administration, and other administrative expenses, \$29,089,500, together with a transfer of not to exceed \$950,000 of the fees and administrative expense charges made available by subsections (d) and (e) of section 12 of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1005 (b)), and section 10 (c) of the Act of August 28, 1937, as amended.

7 USC 1005b.  
68 Stat. 736.  
16 USC 590x-3.

## OFFICE OF THE GENERAL COUNSEL

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$2,943,000.

## OFFICE OF THE SECRETARY

For expenses of the Office of the Secretary of Agriculture; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; \$2,660,660.

## OFFICE OF INFORMATION

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,367,500, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U. S. C. 417) and not less than two hundred thirty thousand eight hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U. S. C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

34 Stat. 690.  
Yearbook of  
Agriculture.

28 Stat. 612.

58 Stat. 742.  
60 Stat. 810.

## LIBRARY

For necessary expenses, including dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, \$772,000.

## SOIL CONSERVATION SERVICE

## CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft; \$72,545,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U. S. C. 590a-590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

49 Stat. 163.

Restrictions.

49 Stat. 163.

58 Stat. 742.

60 Stat. 810.

## WATERSHED PROTECTION

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954 (16 U. S. C. 1001-1007), and the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), to remain available until expended, \$25,500,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes.

68 Stat. 666.

49 Stat. 163.



## FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U. S. C. 701-709), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), to remain available until expended, \$13,220,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated.

49 Stat. 1570.  
33 USC 701a-  
701h.

58 Stat. 742.  
60 Stat. 810.

## WATER CONSERVATION AND UTILIZATION PROJECTS

For expenses necessary to carry out the functions of the Department under the Acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033-39), relating to water conservation and utilization projects, to remain available until expended, \$350,000, which sum shall be merged with the unexpended balances of funds heretofore appropriated to said Department for the purpose of said Acts.

54 Stat. 1119.  
64 Stat. 769.

## GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16 (b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (70 Stat. 1115-1117), \$10,000,000, to remain available until expended.

16 USC 590p.

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590 (o), 590p (a)-590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$212,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, carried out during the period July 1, 1956, to December 31, 1957, inclusive: *Provided*, That not to exceed \$24,698,000 of the total sum provided under this head shall be available during the current fiscal year for administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,025,800 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers:

49 Stat. 1148.

70 Stat. 233.

52 Stat. 69.  
7 USC 1392.

*Provided further*, That such amount shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil-building and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, and no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the 1958 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

49 Stat. 1148.  
16 USC 590g-  
590q.

Restriction.

53 Stat. 1147.  
5 USC 118k note.  
62 Stat. 792.

## SOIL BANK PROGRAMS

### CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U. S. C. 1831-1837 and 1802-1814), \$162,940,000: *Provided*, That not to exceed \$18,000,000 shall be available for administrative expenses of which not less than \$13,500,000 may be transferred to the appropriation account, "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That no part of this appropriation shall be used to enter into contracts with producers which together with contracts already entered into would require payments to producers (including the cost of materials and services) in excess of \$325,000,000 in any calendar year, and for purposes of applying this limitation, practice payments shall be chargeable to the first year of the contract period.

70 Stat. 191,  
196.

52 Stat. 68.  
7 USC 1388.



## ACREAGE RESERVE PROGRAM

70 Stat. 189,  
196.

For necessary expenses to carry out an acreage reserve program in accordance with the provisions of subtitles A and C of the Soil Bank Act (7 U. S. C. 1821-1824 and 1802-1814), \$600,000,000: *Provided*, That not to exceed \$34,500,000 of the total sum provided under this head shall be available for administrative expenses: *Provided further*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of \$500,000,000 with respect to the 1958 crops, or in total compensation being paid to any one producer in excess of \$3,000 with respect to the 1958 crops.

## TITLE II—CORPORATIONS

61 Stat. 584.  
31 USC 849.

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year 1958 for such corporation or agency, except as hereinafter provided:

## FEDERAL CROP INSURANCE CORPORATION

Federal Crop Insurance Corporation: *Provided*, That not to exceed \$2,000,000 of administrative and operating expenses may be paid from premium income.

## COMMODITY CREDIT CORPORATION

## RESTORATION OF CAPITAL IMPAIRMENT

52 Stat. 107.

To restore the capital impairment of the Commodity Credit Corporation determined by the appraisal of June 30, 1956, pursuant to section 1 of the Act of March 8, 1938, as amended (15 U. S. C. 713a-1), \$1,239,788,671.

## LIMITATION ON ADMINISTRATIVE EXPENSES

58 Stat. 1114.

64 Stat. 765.  
31 USC 665.

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or program authorized by law: *Provided*, That not to exceed \$35,398,000 shall be available for administrative expenses of the Corporation including uniforms, or allowances therefor, as authorized by the Act of September 1, 1954 (5 U. S. C. 2131), as amended: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

## TITLE III—SPECIAL ACTIVITIES

REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION FOR ADVANCES FOR  
ANIMAL DISEASE ERADICATION ACTIVITIES

To reimburse the Commodity Credit Corporation for authorized transfers through June 30, 1956 (including interest through June 30, 1957), as follows: (1) \$1,853,450 for sums transferred to the appropriation "Foot-and-mouth and other contagious diseases of animals and poultry", fiscal year 1956, for eradication activities, pursuant to authority contained under such head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, and (2) \$16,728,210 for sums transferred to the appropriation "Salaries and expenses, Agricultural Research Service", fiscal year 1956, for brucellosis eradication, pursuant to section 204 (e) of the Act of August 28, 1954, as amended (7 U. S. C. 397).

69 Stat. 52.

21 USC 129.

68 Stat. 900.

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR ADVANCES FOR  
GRADING AND CLASSING ACTIVITIES

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing research and service" through June 30, 1956 (including interest thereon through June 30, 1957), pursuant to the Act of August 31, 1951 (7 U. S. C. 414a), for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U. S. C. 473a, 511d), \$80,449.

65 Stat. 239.

50 Stat. 62;

49 Stat. 732.

## SPECIAL COMMODITY DISPOSAL PROGRAMS

To reimburse the Commodity Credit Corporation for authorized costs (including interest through June 30, 1957), as follows: (1) \$92,930,611 under the International Wheat Agreement Act of 1949, as amended (7 U. S. C. 1641-1642); (2) \$94,483,518 for commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of the Act of July 10, 1954, as amended (7 U. S. C. 1703, 1721-1724); and (3) \$637,000,000 for the sale of surplus agricultural commodities for foreign currencies pursuant to title I of the Act of July 10, 1954, as amended (7 U. S. C. 1701-1709).

63 Stat. 945,

68 Stat. 457.

68 Stat. 455.

## TITLE IV—RELATED AGENCIES

## FARM CREDIT ADMINISTRATION

Not to exceed \$2,200,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses.

## FEDERAL FARM MORTGAGE CORPORATION

The Federal Farm Mortgage Corporation is authorized to make such expenditures, within available funds and in accordance with law, as may be necessary to liquidate its assets: *Provided*, That funds realized from the liquidation of assets which are determined by the Board of Directors to be in excess of the requirements for expenses of liquidation shall be applied first to the retirement of the remaining Government investment in the capital stock of the Corporation and then to dividends which shall be paid into the general fund of the Treasury.

## FEDERAL INTERMEDIATE CREDIT BANKS

Not to exceed \$3,375,000 (to be computed on an accrual basis) of the funds of the banks shall be available for administrative expenses,



including the purchase of not to exceed six passenger motor vehicles for replacement only and services performed for the banks by other Government agencies (except services and facilities furnished and examinations made by the Farm-Credit Administration, and services performed by any Federal Reserve bank and by the United States Treasury in connection with the financial transactions of the banks); and said total sum shall be exclusive of interest expense, legal and special services performed on a contract or fee basis, and expenses in connection with the acquisition, operation, maintenance, improvement, protection, or disposition of real or personal property belonging to the banks or in which they have an interest.

## TITLE V—GENERAL PROVISIONS

Passenger motor  
vehicles.

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 552 passenger motor vehicles for replacement only, and for the hire of such vehicles.

Employment of  
aliens.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

Uniform  
allowances.  
68 Stat. 1114.  
Cotton price  
predictions.

SEC. 503. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131).

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, and July 28, 1954 (7 U. S. C. 427, 1621-1629), shall be available for contracting in accordance with said Acts.

SEC. 507. No part of any appropriation contained in this Act or of the funds available for expenditure by any corporation or agency included in this Act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress.

This Act may be cited as the "Department of Agriculture and Farm Credit Administration Appropriation Act, 1958".

Approved August 2, 1957.

Purchase of  
twine.

60 Stat. 1082-  
1091.  
68 Stat. 574.  
7 USC 427i.

Publicity or  
propaganda.

Short title.

468-A  
65  
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